omnicane

Integrating Energies

2022 INTEGRATED REPORT

CONSOLIDATING & TRANSITIONING

CONSOLIDATING ACHIEVEMENTS. **TRANSITIONING** INTO THE FUTURE.

Omnicane has always been driven by the energy to nurture, empower and inspire. Now re-energised with a redefined purpose, unified aspiration, and a converging vision to consolidate our roots, we are transitioning into Omnicane 2.0.

CONTENTS

PURPOSE

IMPROVING LIFE FOR **FUTURE GENERATIONS**

OMNICANE AT A GLANCE

FINANCIAL

8.8 BILLION
Turnover (Rs)

1.7 BILLION
EBITDA (Rs)

0.566 BILLION
Net profit after tax (Rs)

41.49%
Gearing

6.28
Headline profit per share (Rs)

OPERATIONAL

188,558 TONNES
Refined sugar produced

17.7 MILLION LITRES
Bioethanol produced

697 GWh
Electricity exported to the grid

26 GWh
Electricity exported to Rwandan grid

OTHERS

1,216 EMPLOYEES

17.2 SHARE PRICE
(Rs)

20% SHAREHOLDING
in KISCOL

98% SHAREHOLDING
in Omnihydro Ltd

BUSINESS LOCATIONS

2-1

Local Operations

	Agriculture	Milling	Refinery	Energy	Logistics	Distillery	Retail & Brands	Property	Omnicane HQ
Mon Trésor	●							●	●
Britannia	●				●				
Benares	●								
La Baraque		●	●	●		●	●		
St Aubin				●					

Market Presence

3-3 | 202-2

- Omnicane's main operating location is in the South of Mauritius.
- La Baraque industrial cluster consists of a modern sugar factory, refinery, bagasse-coal cogeneration power plant, bioethanol distillery & Carbon Burn-Out Unit.
- Strategic importance of this cluster approach to maximise revenue, minimise costs, proximity to main sources of raw materials and transport links.
- Its property development located at Mon Trésor, near SSR International Airport.
- Regional presence in Kenya with 20% equity stake in KISCOL and operation of 5MW hydro-electric plant in Rwanda.
- In the UK, the Group has a 20.74% stake in Real Good Food (RGF), which is a manufacturer of sugar paste and marzipan.

KEY EVENTS

June 22: Inauguration of the Mushishito Rukarara V 5 MW Hydroelectric Power Plant in Rwanda

Sept 22: World Clean Up Day – Beach Clean Up at Le Souffleur in collaboration with Reef Conservation Mauritius and participation of Employees & Local Community

Mar 23: 55th Independence Day Celebrations - Tree Planting at Plaine Magnien in collaboration with Business Mauritius

Feb 23: Omnicane 2.0 – Strategic Review Workshop

Mar 23: Meet the CEO Event at Omnicane House with participation of new recruits and Omnicane Management team

MATERIAL TOPICS

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- Omnicane's last materiality assessment was done in 2020. In view of our Consolidating and Transitioning strategy and in line with the new GRI Standards 2021, Omnicane has recently updated its list of material topics as per the requirements of GRI 3: Material Topics.
- These concern matters that can materially affect the organisation's ability to create value in the short and medium term.
- Using the approach of Multi-Criteria Analysis (MCA), a total of 26 Material topics were retained by the Top Management/Executive Team to score the significance of economic, social and environmental impacts of each topic.
- The following methodology was adopted by the Company for determining its material topics:

  1. Establish the decision context taking into consideration Omnicane's strategy 2023-2027
  2. Identify the objectives and criteria for analysis (economic, social & environmental)
  3. Scoring from a measurement scale of 0-100 using expert judgement and on the three criteria selected
  4. Allocation of weightage – the chosen weightage was in the following order: $(W_{economic}, W_{social}, W_{environment}) = (0.5, 0.25, 0.25)$
  5. Combination of scores and weightage
  6. Examine the results and finalising of material topics. Decision to take scores equal to or higher than 60
  7. Sensitivity analysis

- The material topics identified are applicable for all Business Units and form an integral part of their commitments, goals, objectives, responsibilities, and resource allocation.
- The 26 Material topics identified are tabled as below and have been rated for their pertinence from economic, social and environmental perspectives.

Category	Aspect	Pertinence Score
Economic	1. Economic Performance	86.3
	2. Market Presence	86.3
	3. Anti-corruption	85.0
	4. Indirect economic impacts	73.8
	5. Procurement practices	71.3
	6. Anti-competitive behaviour	62.5
Environmental	7. Energy	95.0
	8. Water and effluents	87.5
	9. Materials	80.0
	10. Emissions	78.8
	11. Waste	72.5
Social	12. Marketing and Labeling	81.3
	13. Local communities	80.0
	14. Customer health and safety	78.8
	15. Employment	76.3
	16. Training and education	75.0
	17. Labor/management relations	72.5
	18. Occupational health and safety	72.5
	19. Diversity and equal opportunity	70.0
	20. Non-discrimination	70.0
	21. Child labor	70.0
	22. Forced or compulsory labor	70.0
	23. Public policy	70.0
	24. Customer privacy	68.8
	25. Freedom of association and collective bargaining	62.5

Priority Topics	Relevant Topics	Emerging Topics
Priority topics for our company and for our stakeholders have an immediate impact on the company's financial viability and therefore on the viability of social and environmental agendas.	Key topics for our stakeholders and the company to continue addressing in the short and medium term.	New topics that the company considers important to manage
• Economic Performance • Market Presence • Procurement practices • Energy • Water and effluents • Materials • Customer health & safety • Employment	• Anti-corruption • Anti-competitive behaviour • Indirect Economic Impacts • Effluents and Waste • Emissions • Waste • Local Communities • Training and education • Labor/management relations • Occupational health and safety • Customer privacy • Freedom of association and collective bargaining • Non-discrimination • Child labor	• Marketing and labelling • Diversity and equal opportunity • Forced or compulsory labor • Public policy

VISION

TO BE THE **LEADER IN SUSTAINABLE DEVELOPMENTS**
IN THE REGION

THE CHAIRPERSON'S LETTER

"DEAR SHAREHOLDERS,
ON BEHALF OF THE BOARD,
I AM PLEASED TO PRESENT
OMNICANE'S INTEGRATED REPORT
FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2022 UNDER THE THEME
'**CONSOLIDATING & TRANSITIONING**'."

Strategy: "Consolidating" and "Transitioning"

This year's theme is indeed the outcome of the Strategic Planning Process (SPP) exercise, which started in 2021 and involved tremendous in-depth work by the Executive team and their colleagues. The Board was an integral part of the process, and it has been has been an enriching journey for Omnicane as a whole. I am convinced that this is the start of a new era for the Group, which has been coined "Omnicane 2.0".

If two words can best describe the strategy for the next five years, these will be "Consolidating" and "Transitioning".

"Consolidating" for our intent to build on and improve our century-old savoir-faire and operational excellence. We have today built a unique industrial cluster in the region which is a showcase for the country in terms of integration and circular economy whilst our footprint is now well present outside our frontier, with the hydro-electrical power plant in Rwanda.

We will also pursue our efforts to reinforce our balance sheet so that we have solid foundations on which to anchor for our future projects.

"Transitioning" for our ambitious energy transition plan to convert our existing thermal power plants to full biomass, a renewable source of energy, hence eliminating the use of coal, whilst developing projects locally and abroad in renewable energies, notably solar PV, wind and hydro. We also aim to climb the value ladder through innovation, research and development, with two flagship projects in the pipeline, namely: the upscaling of our low-GI and antioxidant sugars and the development of a quality rum and spirits business; the reorientation of our Property Business Unit whose medium to long term objective is to build a portfolio of yielding assets, whilst acknowledging Omnicane's agro-industrial vocation.

THE CHAIRPERSON'S LETTER

New Organisational Structure: Two Strategic Business Units (SBU)

The strategy is backed by a clear organisational structure with the creation of two Strategic Business Units (SBU): the Agro-Industry & Energy SBU and the Properties, Retail & Brands SBU, each one headed by a CEO. The former SBU is in business moving volumes on a B2B basis, with the objective to climb up the value chain, in close collaboration with the Properties, Retail & Brands SBU.

The latter, on the other hand, is a retail-based business, on a B2C or on a B2B for retail basis, whose objective is, on the retail front, to optimise the value chain of selected products manufactured by Omnicane and, on the 'Property' front, to add value to Omnicane's properties.

These SBUs operate with a high level of autonomy and accountability, within clear strategic and financial guidelines set by the Holding Company.

Vision, Mission and Values (VMV): Improving life for future generations

Finally, during the SPP, we have seized the opportunity to review our Vision, Mission and Values (VMV) to make sure that these were aligned with our new strategic orientation. Some tweaks were brought to our existing VMV statements. During the process, a new concept cropped-up, that of 'Purpose', which is about our raison d'être. After brainstorming sessions held with the Executive team, we finally concluded that this would be best described by the following statement: *Improving life for future generations.*

Financial Performance

The Group achieved a major turnaround in 2022 after several challenging years marred by low sugar prices, followed by the COVID-19 pandemic. The Group in fact reported a Net Profit of Rs 568.5 million, which is a huge swing from the loss of Rs 659.8 million last year. This is the result of sustained efforts during the past years to strengthen our balance sheet by reducing the gearing level and to be more efficient at operational level despite a challenging economic environment.

As a result of the above, the capital structure of the Group improved further with a gearing ratio down from 52% to 42% whilst the capital efficiency measured by the Return on Capital Employed (ROCE) was up to 8% compared to 3% last year.

Environmental, Social, Governance (ESG)

Since 2009, with the rebranding of Omnicane, sustainability has been at the heart of our business model. Indeed, we have today one of the most integrated cane clusters in the region which is a showcase of circular economy for the country.

On the social side, Omnicane Foundation continues to work in proximity with the local communities through the implementation of various social empowerment projects. As a responsible corporate citizen, we also have at heart the respect of human rights across all our operations in line with our purpose – that is improving life for future generations.

In respect of Governance, the Group has adopted good corporate governance practices in line with the Code of Corporate Governance 2016. During the year, Omnicane successfully updated its business risk assessment as per the AML/CFT guidelines and implemented its IT and Data Protection policies. For the property development, an onboarding committee was also set up on high-risk individual clients/PEPs. I am very pleased to state that in 2023, the Board has appointed two female directors which shows our commitment to promote board gender diversity.

On the above strong foundations, Omnicane is well-positioned to embrace and implement its ESG framework.

2023 Outlook: Transitioning

Following the completion of the strategic exercise 2023-2027, the Group will embark in 2023, on the implementation of a new corporate structure which will enhance clarity and accountability for each SBU and set up the right platform for a more agile organisation.

In line with the Government policy to end coal usage by 2030, we will further collaborate with the authorities to accelerate the energy transition.

For 2023, based on the improved financial fundamentals and good market conditions prevailing for sugar, the Group is expected to maintain good results despite reduced profitability of the energy segment.

Acknowledgments

There is a saying that "Great Sea captains are made in rough waters and deep seas". I would like to congratulate warmly the CEO for being a great Captain when the sea was indeed very rough, he steered excellently to bring the Group into calmer waters. I associate the Executive team and the whole Omnicane family with this turnaround in the Group's results. I take this opportunity to thank my colleagues on the Board for their valuable support and participation in the several sessions we had together on the strategic exercise. Omnicane 2.0 is now a reality and will contribute to unlock value for shareholders.

Harold MAYER
CHAIRPERSON

CHIEF EXECUTIVE OFFICER'S Q&A

CLICK TO PLAY VIDEO

The Group is back to profitability after several challenging years. What are the main drivers behind these positive results?

If we look back when we hit a historical low sugar price of Rs 8,800 per tonne in 2018, followed by a long period of low sugar price environment on the EU and world markets, we knew that we had to take bold decisions to survive and be prepared to seize opportunities when the market conditions become more favourable.

We proceeded in fact on two aspects: the first one focused on trimming our balance sheet of all non-performing assets by impairing underperforming overseas investment and strengthening same with the rebalancing of the capital structure. In so doing, we successfully deleveraged the Group by Rs 5 billion during the last two years with the sale of the Mon Trésor Smart City and some other land plots, thereby reducing our gearing to 42%.

The second aspect was geared towards operational excellence. We had deep dive exercises in all our operations to reduce our cost baseline without compromising on the quality of our products. We continued to innovate through new products development in sugar; and diversified with projects outside Mauritius.

The good financial results we have this year are the direct result of the bold decisions we took over the last three years.

As a commodity product, sugar production cycles directly impact the price level and as a result, the low sugar price environment, particularly in the EU market, could not continue for long. Since 2021 after the COVID-19 pandemic, we started experiencing favourable market conditions leading to price hikes. This was confirmed in 2022 as the price reached Rs 21,000 per tonne against Rs 16,765 per tonne in 2021, thus contributing positively to our bottom line.

The above factors, together with the energy power plants performing well within the parameters of their PPA, generated a normal level of net profit in 2022, whilst the Property segment also recorded higher profits through the sale of some land plots in Mon Trésor and Britannia, contributed to a memorable year for Omnicane and coincided with the launch of Omnicane 2.0.

What is Omnicane 2.0 and how will this transform the Group going forward?

Omnicane 2.0 is in fact a new mind-set and new way of functioning, evolving around three pillars which are first, a new corporate structure with a Holding Company providing Management and other strategic services to Strategic Business Units (SBU), second, clear strategic, financial and operational guidelines, and finally a 5-year financial plan 2023-2027.

The Holding Company will work in a decentralised environment with two SBU's which have been created: the Agro-Industry & Energy and the Properties, Retail & Brands, each one headed by a CEO with a high level of autonomy and empowerment but also with a high level of accountability. Under these SBU's, we have several Business Units (BU) which are themselves headed by different General Managers and their teams.

The Holding Company will ensure that all the BU's are well capitalised so that they work in a completely autonomous manner and focus on achieving their targeted objectives.

We had several well-structured sessions with all BU's, their teams and with the directors to ensure that we were all aligned. We completed the exercise with a presentation to the whole company.

We still have some work to do to put in place the right Corporate Structure and in this respect, we are planning to complete a restructuring exercise by the end of 2023. This new structure will be more agile and dynamic, both from a capitalistic and clear reporting angle.

CHIEF EXECUTIVE OFFICER'S Q&A

Omnicane 2.0 gives us the right framework, guidelines, and tools to ensure that we can achieve our targets 2023-2027.

The tagline accompanying Omnicane 2.0 is Consolidating and Transitioning. Can you explain to us the reasoning behind?

We have always believed in the sugarcane industry and over the last few years, we have invested massively in the integrated La Baraque cluster which implies that Omnicane is today a systemic operator in the Mauritian economy. During this process, we have gained a lot of experience and know-how in terms of circular economy and sustainability. We want to further consolidate our sugar refining activity for example, which has a potential to produce 250,000 tonnes of refined sugar, thereby positioning Mauritius as the Sugar-Hub for the region. Our Non-Originating Sugar activities, that is importing raw sugar for refining at La Baraque has contributed up to Rs 800 per tonne of sugar as additional revenue for all the planters in Mauritius.

On the transitioning part, our top priority is obviously the energy transition for our power plants. We are also open to implementing other green energy projects that the CEB will launch in the future and in this respect, we are working with experienced strategic international partners in wind and solar photovoltaic projects.

The energy transition is indeed very important for Omnicane. What progress has been made since last year on that front for the conversion of the present power plants?

Before going into more details, I would like to say that both power plants are situated in the South of the island compared to other base load power producers which are found mainly in the North of the island. As such, our power plants contribute to reduce energy losses when electricity is carried over long distances.

We now have a clearer picture of the transition for both plants. St Aubin's Power Purchase Agreement (PPA) will expire in 2025 and our strategy going forward is to gradually convert same into a full local biomass one. It is worthwhile noting that this conversion will not entail massive investments and some equipment has already been installed. A local biomass platform will be constructed at St Aubin to transform the biomass into woodchips.

Concerning La Baraque's power plant, we are planning to replace coal with imported biomass. In this respect, we are working in close collaboration with our strategic partner, Albioma and they are finalising a technical and financial feasibility study for us. The idea is to import sustainably sourced wood pellets and ensure that we have the right logistics in place at the Port and La Baraque.

In respect of new SBU's – what are the main targets of the Properties, Retail & Brands one?

This is indeed a new SBU which will focus, on the medium to long term, on building up a portfolio of yielding assets for the Group, capitalising on some of our exceptional land sites with high development potential. For the 2023-2027 financial plan, we have targeted some land for development/sale to further reduce our gearing level, but we will also focus more on yielding asset projects.

We have some products under the Dina brand which are produced for the local market. However, we see a lot of potential for the Antioxidant and low GI sugars mainly in the export market. We are presently constructing an Antioxidant plant and are confident to start production as from end 2023. The Antioxidant powder will be used for production of low GI sugars and sold as powder for use in healthy products.

The challenge now will be to keep the momentum in 2023 and in years to come. How do you foresee the Group performing in the near future?

> "We have completed our Strategic Planning Process 2023-2027, which includes financial forecasts. We are confident that the Group will perform well with profits being generated by all SBU's, though the profit mix changes mainly on the timing of some Property projects."

For the Agro-Industry SBU, if we can contain land abandonment, we see sustained profitability if present market conditions do not change dramatically. We will look at ways and means to optimise our refinery to its full capacity through Non-Originating Sugar operations whilst our bioethanol plant should perform to the same level as last year in the coming years.

The Energy SBU will record reduced profitability as the capacity fee paid by the off taker for the La Baraque power plant comes to an end for the part linked to the loan repayment.

On the Properties, Retail and Brands SBU, we will complete the sale of Greenview morcellement in 2023 and this will contribute significantly to the Group's Net Profit. In the coming years, some other property projects have been earmarked to further reduce the gearing of the Group.

The Retail part will need some additional investments for 2023 but should start to be profitable from 2025 onwards as the export of Antioxidant powder and Low GI sugars gets traction.

With the Environmental, Social, Governance (ESG) approach steadily gaining momentum in the business environment, what is Omnicane's stand to this framework?

ESG is a framework that helps stakeholders understand how an organisation is managing risks and opportunities related to environmental, social, and governance criteria.

Omnicane has been a pioneer in sustainability reporting through the GRI standards and is now ready to embrace this new framework which will be critical for the financing of future investments.

I would like to emphasise here the three main components of our ESG framework. The first one being on environmental sustainability and its importance to preserve our natural capital for future generations. The second relates to social aspects of how the company manages its relationships with its workforce, the society in which it operates, and the political environment. The third is about governance factors of decision-making, and how the organisation is led and managed.

In line with the ESG framework, what significant sustainability actions have been taken during the year?

A major achievement during the year was that of our sugar refinery which was successfully certified to BeVeg – Vegan standards – a first for Mauritian sugar to be vegan-certified internationally. The refinery was also recertified to the VIVE sustainability standard. Our distillery was certified to the French 2BSvs sustainability standard which will enable it to sell sustainable EU RED II compliant bioethanol as fuel source to a power plant in Reunion Island. The distillery also attained the Bonsucro Chain of Custody certification to certify potential sustainable bioethanol and rhum as per client requirements.

On the social side, Omnicane has adhered to the Inclusive Development guidelines under the SigneNatir framework of Business Mauritius. An internal structure led by the Group Chief Sustainability Officer has been set up to coordinate the various initiatives to be adopted across the Group.

Governance-wise, Omnicane's Board of Directors is fully committed to ensuring sound corporate governance practices in line with the Code of Corporate Governance 2016. I am pleased to report the appointment of Ms Maheswaree Madhub and Ms Madoobala Jeetah, OSK as Directors on Omnicane Limited's Board, which shows our commitment to diversify the Board.

A word to conclude?

I would like to place on record my appreciation and that of the whole Executive team to the Chairperson, Harold Mayer, for his guidance during the strategic planning process. He was instrumental in the success of the whole exercise culminating with the launch of Omnicane 2.0. I also thank all the Directors for their unflinching support, my colleagues on the Executive team, and all the employees across the Omnicane family for constantly upholding our corporate values namely passion, agility, team spirit, respect, innovation and creativity and endurance.

With these values at heart, I am confident that together we will succeed in delivering on our purpose which is about "improving life for future generations"!

Jacques M. D'UNIENVILLE
CHIEF EXECUTIVE OFFICER

OMNICANE 2.0

- Termed as Omnicane 2.0, Omnicane's strategic planning exercise for 2023-2027 can be summed up with two mottos: **"Consolidation"** and **"Transition"**.
- **Consolidation** to consolidate our achievements and know-how, improve existing ones, strengthen our industrial pole in La Baraque, further reduce debt at the level of the Holding Company.
- **Transition** for our ambitious energy transition plan, particularly from coal to biomass, our desire to create ever more value for our products and services, of which rum and antioxidant projects are the first that come to mind as well as a reorientation of our "Property" division.
- In this context, we have strengthened ourselves structurally, with the recent creation of two "Strategic Business Units" (SBUs): "Agro-Industry & Energy SBU" and "Properties, Retail & Brands SBU", on a decentralised model and each headed by a CEO with a high level of autonomy and responsibilities.
- We believe that with such a model, we should be able to seize the opportunities and address the challenges ahead.

Our Purpose

Improving life for future generations.

Our Vision

To be the leader in sustainable developments in the region.

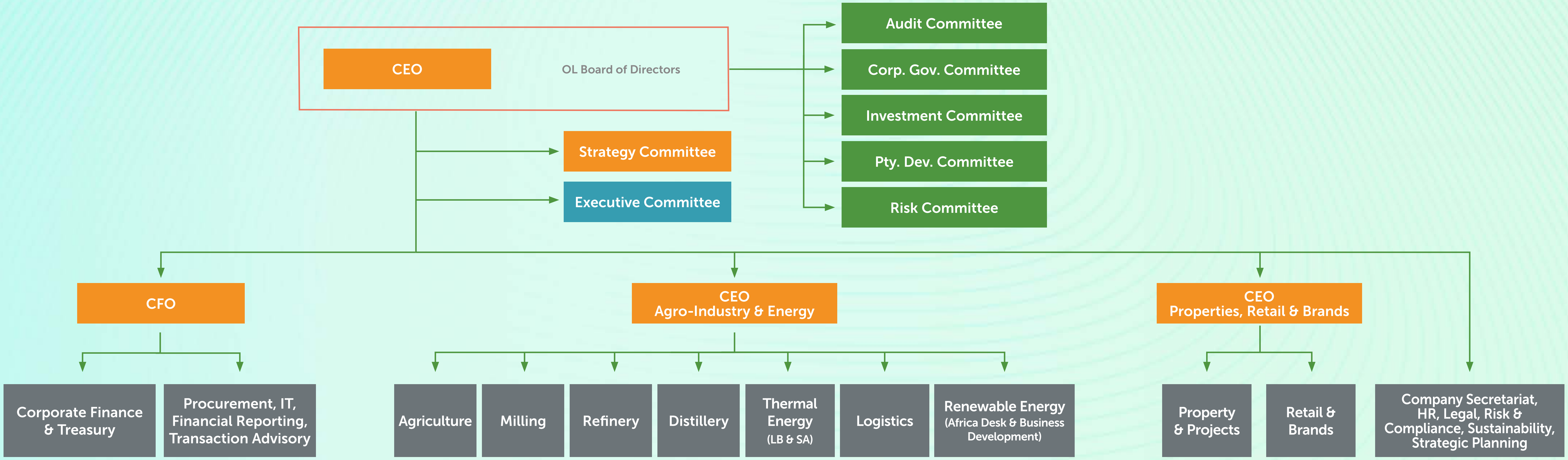
Our Mission

We ethically deliver impactful solutions for our stakeholders through operational excellence.

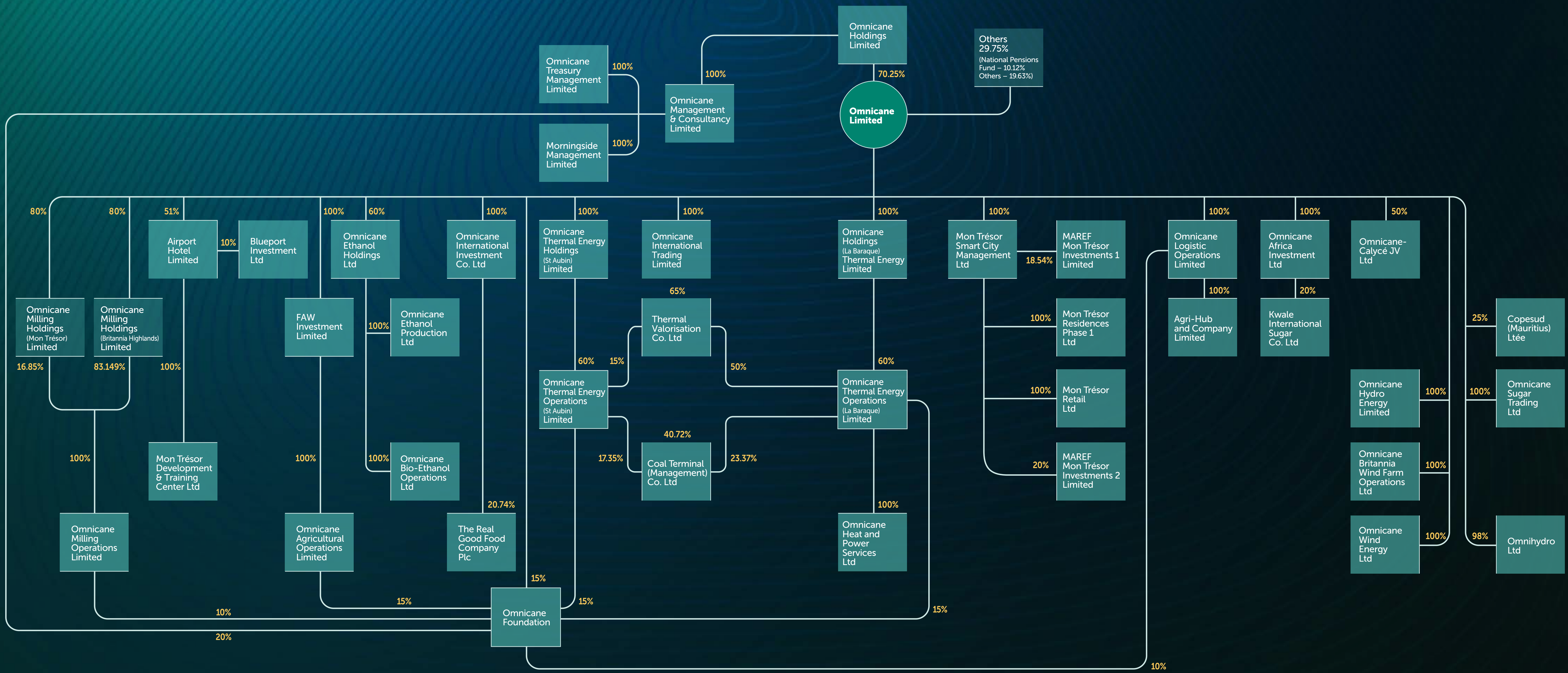
Our Values

Passion
Agility
Team spirit
Respect
Innovation & Creativity
Endurance

ORGANISATIONAL STRUCTURE



GROUP STRUCTURE



BOARD OF DIRECTORS

AS AT DECEMBER 31, 2022

Harold MAYER
NON-EXECUTIVE CHAIRPERSON

Jacques M. D'UNIENVILLE, GOSK
CHIEF EXECUTIVE OFFICER

Nelson MIRTHIL
CHIEF FINANCE OFFICER

Bertrand THEVENAU
EXECUTIVE DIRECTOR

Pierre M. D'UNIENVILLE
NON-EXECUTIVE DIRECTOR

Jimmy TONG SAM
NON-EXECUTIVE DIRECTOR

Bertrand BOULLE
NON-EXECUTIVE DIRECTOR

Didier MAIGROT
NON-EXECUTIVE DIRECTOR

Dr. Dhananjay KAWOL
NON-EXECUTIVE DIRECTOR

Gamsam BOODRAM
NON-EXECUTIVE DIRECTOR

Harryduth RAMNARAIN
NON-EXECUTIVE DIRECTOR

KEY EXECUTIVES

Jacques M. D'UNIENVILLE, GOSK
CHIEF EXECUTIVE OFFICER

Nelson MIRTHIL
CHIEF FINANCE OFFICER

Eddie AH-CHAM
COMPANY SECRETARY

Jérôme JAËN
CEO – AGRO-INDUSTRY & ENERGY

Bertrand THEVENAU
CEO – PROPERTIES, RETAIL & BRANDS

Rajiv RAMLUGON
GROUP CHIEF SUSTAINABILITY OFFICER

Oudesh SEEBARUTH
HEAD OF CORPORATE FINANCE & TREASURY

Jean-François LOUMEAU
GENERAL MANAGER – PROPERTY & PROJECTS

Josie LAPIERRE
HEAD OF HUMAN RESOURCES

Peter L.M. HOUGH
SUGAR DEVELOPMENT EXECUTIVE

Christophe TOULET
HEAD OF LEGAL, RISK & COMPLIANCE

Christophe BARBÈS-POUGNET
HEAD OF BUSINESS DEVELOPMENT

Kevin PADIACHY
HEAD OF AFRICA DESK

Rudley LUTCHMANEN
GROUP FINANCE MANAGER

Maurice REGNARD
CHIEF PROCUREMENT OFFICER

Avinash DOOKHUN
GROUP IT MANAGER

Navin MOHUN
INTERNAL AUDIT MANAGER

Steeven RATTINAPOULLE
TRANSACTION ADVISORY MANAGER

Patrick MAMET
GENERAL MANAGER – AGRICULTURE

Jean-Luc CABOCHE
GENERAL MANAGER – MILLING & LOGISTICS

Lindsay DAVY
GENERAL MANAGER – REFINERY

Rishi KAPOOR
GENERAL MANAGER – ENERGY LB

Frédéric ROBERT
POWER PLANT MANAGER – ST AUBIN

Jean-Pierre ROUILLARD
GENERAL MANAGER – DISTILLERY

Jean-Laurent ASTIER
GENERAL MANAGER – HOLIDAY INN MON TRÉSOR

Aldo DUCASSE
GENERAL MANAGER - RETAIL

PURPOSE

Improving life for future generations

VISION

To be the leader in sustainable developments in the region

MISSION

We ethically deliver impactful solutions for our stakeholders through operational excellence

VALUE CREATION PROCESS

CAPITAL INPUTS

Financial Capital
- Debt & equity financing
- Free cash flows

Manufactured Capital
- Administrative offices
- Agricultural equipment, irrigation lines, pump stations
- 1 sugar factory
- 1 sugar refinery
- 2 thermal power plants
- 1 distillery
- 1 hydro power plant
- Fleet of vehicles

Human Capital
- Skilled and experienced staff and workers (1,216 employees)

Natural Capital
- Land, Sugarcane, plantation white sugar, molasses, bagasse, coal, fly ash and coal ash
- Energy, fuel & water

Intellectual Capital
- Company culture & skills
- Brand & reputation
- Digital transformation

Social & Relationship Capital
- Positive employee relations
- Constructive engagement with local communities
- Collaboration partnerships with suppliers

MAIN STRATEGIC OBJECTIVES

- Be a major player in Mauritius's energy transition
- Position our sugar mill, refinery & distillery at the heart of Mauritius' sugar industry
- Develop new business units related to its existing activities
- Embed sustainability at the heart of its strategy
- Develop renewable energy in Mauritius and abroad
- Achieve financial objectives as set by Strategic Plan 2023-2027
- Enhance value of land bank

OPERATIONS

Agro-Industry & Energy:
- Agriculture
- Milling
- Refinery
- Distillery
- Energy La Baraque
- Energy St Aubin
- Omnihydro
- Logistics
- Business Development

Properties, Retail & Brands:
- Property Development
- Holiday Inn Mon Trésor
- Retail

VALUES

Passion
Agility
Team spirit
Respect
Innovation & Creativity
Endurance

CAPITAL OUTPUTS

Financial Capital
- Turnover: **Rs 8.8 billion**
- Proft after tax: **Rs 569 million**

Manufactured Capital
- Investment in Property, Plant & Equipment: **Rs 246 million**

Human Capital
- Expenditure as salaries, wages & other benefits: **Rs 766 million**

Natural Capital
- Total amount of renewable direct materials used: **1,128,436 tonnes**
- Total amount of non-renewable direct materials used: **402,611 tonnes**
- Total energy consumed: **2,207,715 GJ**
- Total water consumed: **8,038,628 m³**

Intellectual Capital
- Total amount spent on trainings: **Rs 1.2 million**

Social & Relationship Capital
- Total amount spent as CSR projects: **Rs 4.5 million**
- Total spending on local and foreign suppliers: **Rs 2.65 billion**

OUR MATERIAL RISKS

- Decrease in sugarcane availability over time
- Adverse climatic conditions (climate change effects)
- Stricter environmental regulations
- Losing key employees
- Adverse fluctuations in foreign currency
- Impacts of "No to coal" policy

OUR OPPORTUNITIES

- Energy transition in Mauritius
- Further consolidation of sugarcane industry
- Product diversification and value addition in growing markets
- Property development on prime sites
- Demographic trends and hydropower in Africa

MISSION

WE **ETHICALLY** DELIVER **IMPACTFUL SOLUTIONS** FOR OUR STAKEHOLDERS THROUGH **OPERATIONAL EXCELLENCE**

FINANCIAL STRATEGIC REVIEW

Financial Data	2022	2021	2020
Earnings / (loss) per share (Rs)	**5.57**	(11.59)	(45.61)
Return On Capital Employed ROCE (%)	**8.68**	3.19	0.87
Net Debt to EBITDA (times)	**3.15**	7.29	14.49
EBITDA Margin (%)	**27.00**	26.00	23.00
Net Asset Value per share (Rs)	**95.39**	89.72	98.66
Gearing (%)	**41.49**	51.59	58.65

MESSAGE FROM CFO

3-3

As part of Omnicane 2.0, the Group redefined its financial strategy with a focus on value creation for the shareholders. This strategy rest over 5 main pillars:

Allocation of financial resources

Financial capital will be allocated in priority to projects which are on the top of the Group's list. In this respect, projects linked to the implementation of the new corporate structure and the energy transition are being considered. All new investment will have to pass the 'hurdle rate' in terms of Project and Equity Internal Rate of Return (IRR).

Optimal Capital Structure

It is important that each Business Unit (BU) be adequately capitalised based on the nature of their business and their expected cash flows to be financially autonomous. The Group progressed a lot in this direction and target to complete this exercise by end of 2023.

Financial Guidelines

Financial guidelines are vital as they ensure financial discipline and financial headroom in Business Units to absorb any deviation from their expected results. Here also, these parameters have been set based on the nature of the BU and its expected cash flows.

Operational performance

The Group intends to achieve operational excellence in all its activities and be able to compare performance with its peers locally and internationally. In this respect a set of key performance ratios have been selected and are described later in the report.

Management and Financial reporting

The Group has developed during the last two years a management reporting framework which gives clearer financial information to management and the board for decision-making purpose.

Nelson MIRTHIL
CHIEF FINANCE OFFICER

FINANCIAL CAPITAL

I. Financial Strategy

Creation of Value to Shareholders

Allocation of financial resources

- Selected business segment of holding company
- Capital Growth of the Group
- Sustained dividend growth for our shareholders

Optimal capital structure

- Right mix of debt/equity which maximises shareholder value
- Ensures financial autonomy of each subsidiary

Financial Guidelines

- Gearing Ratio
- Reinvestment Ratio
- Dividend Payout

Operational Performance

- EBITDA = Cash generated
- EBITDA Margin = Operational efficiency
- Return on Capital Employed = Capital efficiency

Management & Financial Reporting

- Financial Statements in line with IFRS
- Clear Management Reporting framework for decision-making purpose

Key Performance Indicators

The following key metrics have been identified for performance and capital adequacy monitoring:

Net Debt To EBITDA

EBITDA which translates into cash generation is compared to debt (Net Debt to EBITDA) with targets ranging between 2.5 to 3.5 times. This indicates that the level of EBITDA is sufficient to meet operational needs, servicing of debts and ensure sufficient return to the shareholders.

EBITDA Margin

EBITDA margin (EBITDA/Turnover) indicates operational efficiency and is benchmarked with peers and best in class.

Return of Capital Employed (ROCE)

ROCE (Profit Before Interest and Tax/Capital Employed) is used to measure capital efficiency. The ROCE is compared to Weighted Average Cost of Capital and a higher ROCE indicates that the BU is performing well.

Gearing

Gearing (Interest Bearing Debt/Capital Employed) indicates the level of debt a BU has compared to Capital Employed. Target gearing for the Group is set at 35%. However, some projects by their nature are highly geared, for example energy projects where the normal gearing level at the start could be up to 80%.

FINANCIAL CAPITAL

Group Income Statement & Capital Structure

		Dec 2022 Rs'000	Dec 2021 Rs'000
1	**Turnover**	**8,765,414**	5,265,967
2	**EBITDA**	**1,669,323**	1,010,661
	Depreciation & amorisation	**(567,125)**	(554,596)
	EBIT	**1,102,198**	456,065
3	Impairment	**(57,516)**	(258,275)
4	Finance costs	**(417,389)**	(642,010)
	Profit/(loss) before taxation	**627,293**	(444,220)
	Taxation	**(58,769)**	(86,791)
	Loss from discontinued operations	**-**	(128,859)
	Profit/(loss) for the year	**568,524**	(659,870)
	Total equity	**7,426,679**	6,920,746
5	Net debt	**5,265,293**	7,375,081
	Gross capital employed	**12,691,972**	14,295,827
6	**Gearing**	**41.5%**	51.6%
6	**ROCE**	**8.7%**	3.2%
6	**Net debt to EBITDA**	**3.15**	7.3
6	**EBITDA margin**	**27%**	26%

1 Turnover

▲ **Rs 3.1 Bn**

Mainly due to a significant average increase of 244% in price of coal in 2022, following the outbreak of war in Ukraine. This is a pass-through cost to the off-taker with no major impact on the bottom line.

2 EBITDA

▲ **Rs 660 M**

Mainly driven by the performance of the Property Segment compared to last year. The Sugar and Energy segments performed also well on the back of higher sugar prices and improved efficiency of the power plants respectively.

3 Impairment

▲ **Rs 58 M**

Consist mainly of a reduction in the value of the Land Conversion Rights bank of the Group.

4 Finance costs

▼ **Rs 225 M**

Following a reduction in the Group Net Debt by **Rs 2.1 Bn**, interest expense fell by **Rs 119 M**. A forex loss of Rs 96 M was accounted for in 2021 against a gain of **Rs 9.1 M** in 2022.

5 Net debt (excl. import loan)

▼ **Rs 2.1 Bn**

The Group finalised the second phase of the MIC transaction with the sale of land plots for an amount of Rs 2.0 Bn which has been used to repay outstanding bonds and other bank debts.

6 Key Performance Indicators:

Gearing

▼ **10.1 %**

The Group deleveraging plan through the MIC transaction contributed to reduce gearing level to **41.5%**.

ROCE

▲ **5.5 %**

Return on Capital Employed reached **8.7%**, boosted by the improved operational performance of the Group.

Net debt to EBITDA

▼ **4.15 times**

At a ratio of 3.15 times, the Group is nearing a normalised level as both debt and EBITDA levels improved significantly during the year.

FINANCIAL CAPITAL

Segmental Performance

Agro-Industry

129

2021 : (199)

Agro-Industry segment includes the agricultural, sugar mill and refinery, and the ethanol BUs.

A PAT of Rs 129 M was posted in 2022 by the segment compared to Rs (199) M in 2021 mainly driven by:

- an increase in the sugar price of Rs 4,235/t, from Rs 16,765/t to Rs 21,000/t in 2022.
- a better performance of the refinery.

Energy

325

2021 : 66

The Energy segment results were up by Rs 259 M mainly driven by the following:

- the thermal power plants improved efficiency in their operations allowing for better results in terms of performance by Rs 35 M in 2022.
- a one-off impairment adjustment of Rs 167 M recorded in 2021 for the Omnihydro power plant whilst a full-year results were recorded in 2022 compared to nine months operations in 2021.

Profit After Tax

569 M

2021 : (660) M

Property

The Property segment posted a positive PAT of Rs 179 M in 2022 compared to a negative amount of Rs 464 M in 2021.

The main factors behind this positive swing relates to:

- profit realised on the sale of several land plots near the villages of Britannia and Mon Trésor in respect of the MIC transaction and;
- the reversal of specific provisions made in previous years.

179

2021 : (465)

Retail & Brands

PAT for the Retail and Brands segment stood at negative Rs 64 M in 2022 compared to negative Rs 62 M in 2021.

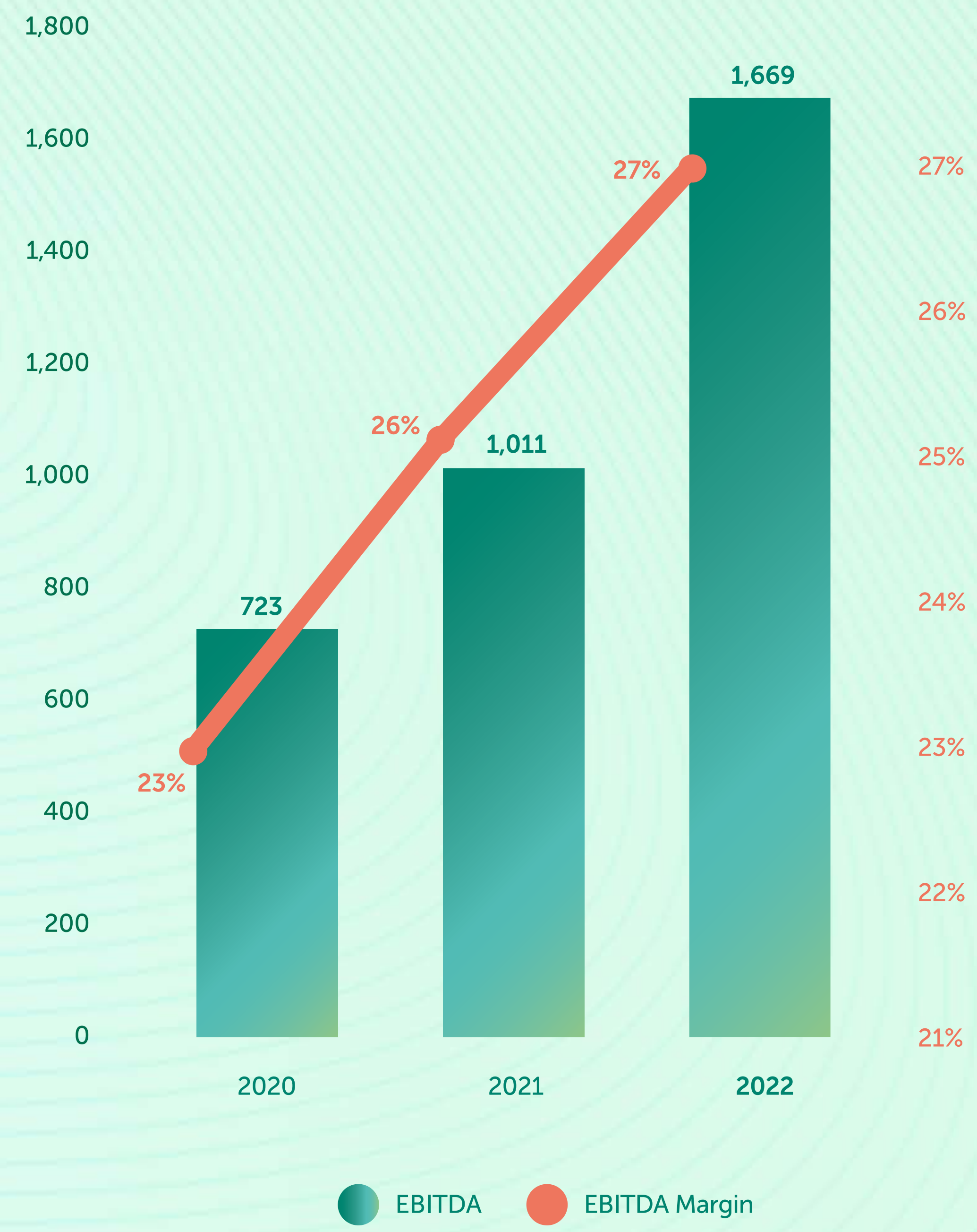
The Retail business is in a ramping-up phase and posted a negative PAT of Rs 33 M in 2022 compared to Rs 23 M in 2021. The business is expected to pick up gradually and reach break-even level as from 2024.

The Hotel is still recovering from the Pandemic impact and Occupancy is picking up. PAT for the hotel stood at negative Rs 57 M in 2022 compared to negative Rs 54 M in 2021.

(64)

2021 : (62)

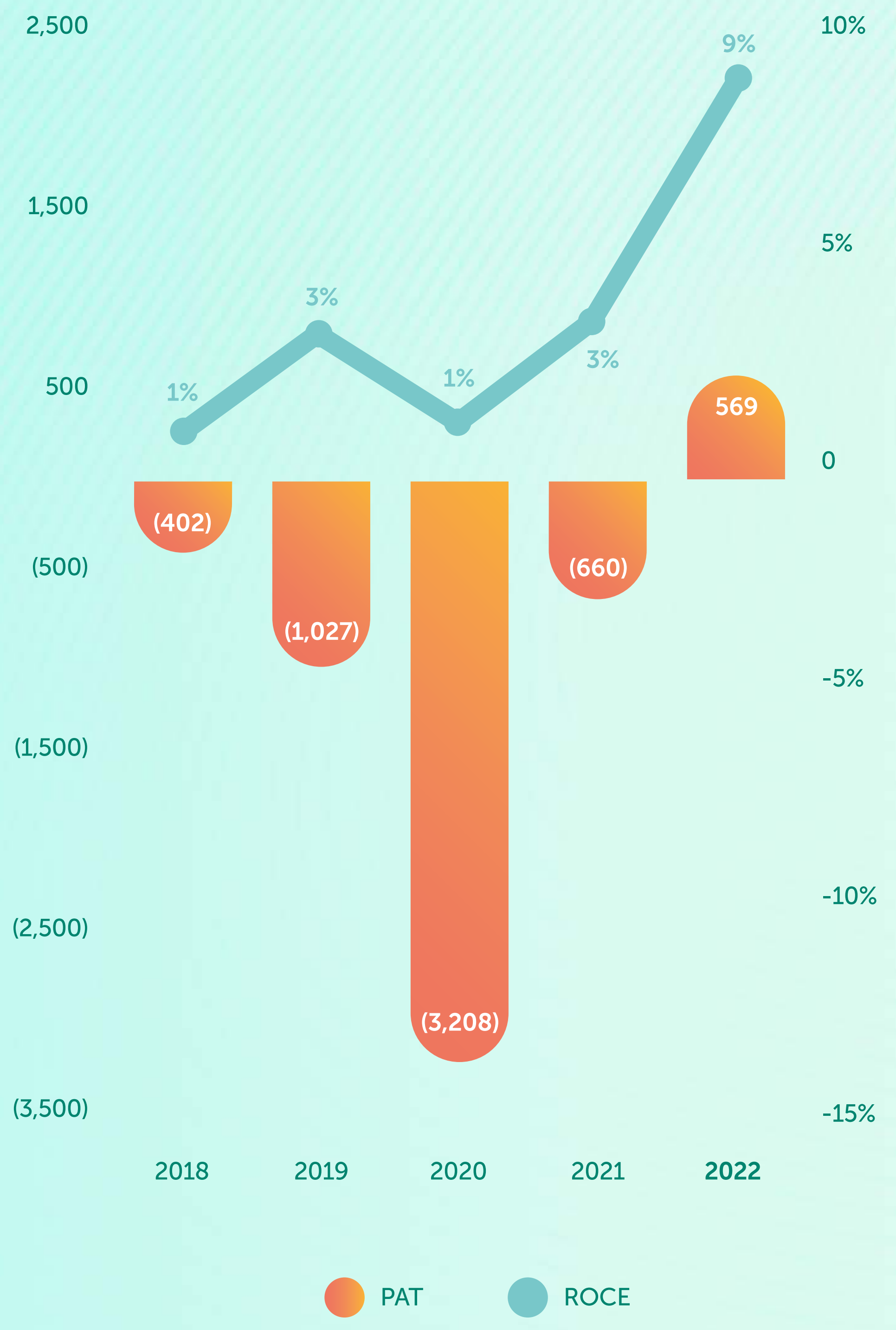
Group EBITDA & EBITDA Margin



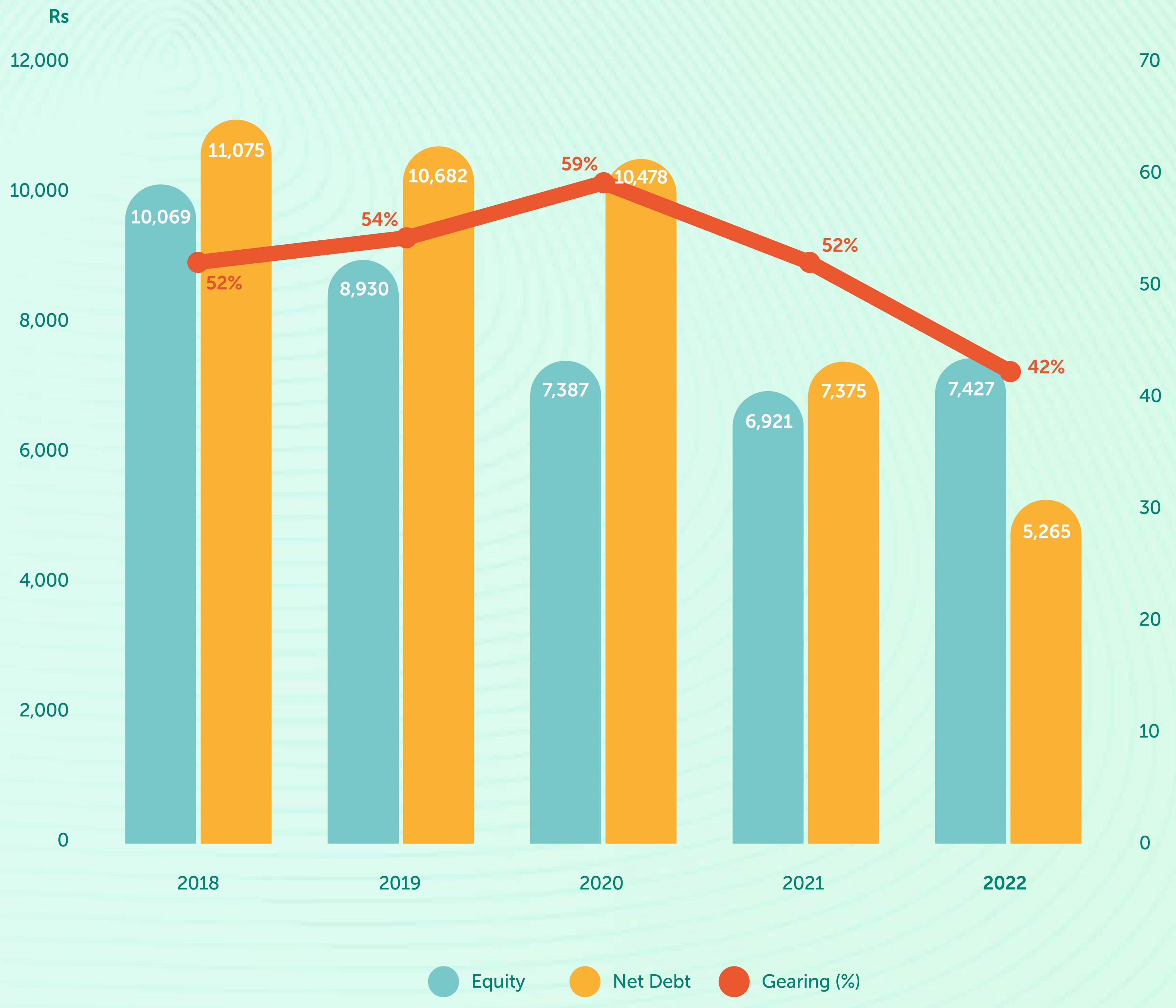
Turnover used for EBITDA margin calculation excludes energy payments received from the offtaker. These are pass-through costs.

FINANCIAL CAPITAL

Profit After Tax & ROCE



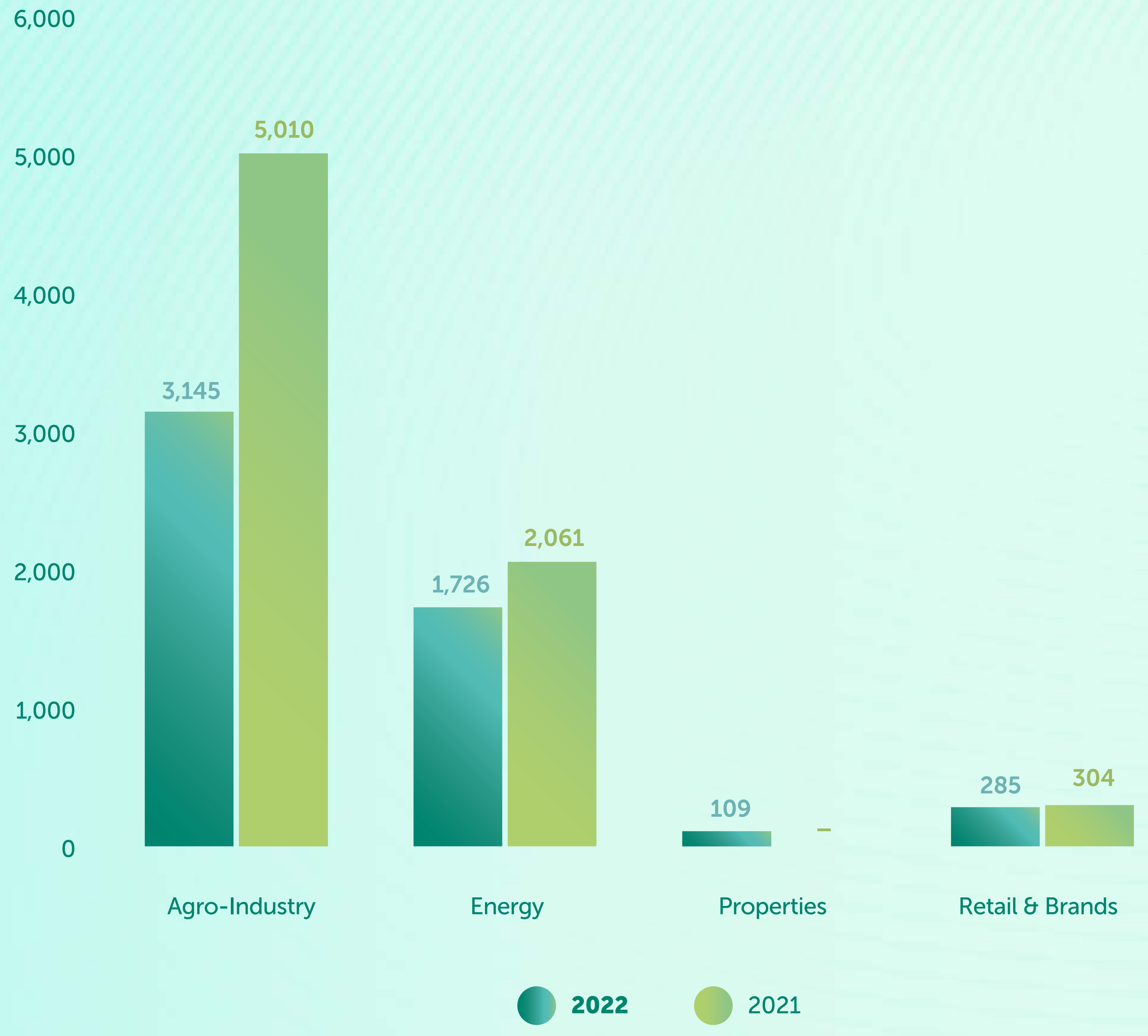
Group Debt – Gearing



FINANCIAL CAPITAL

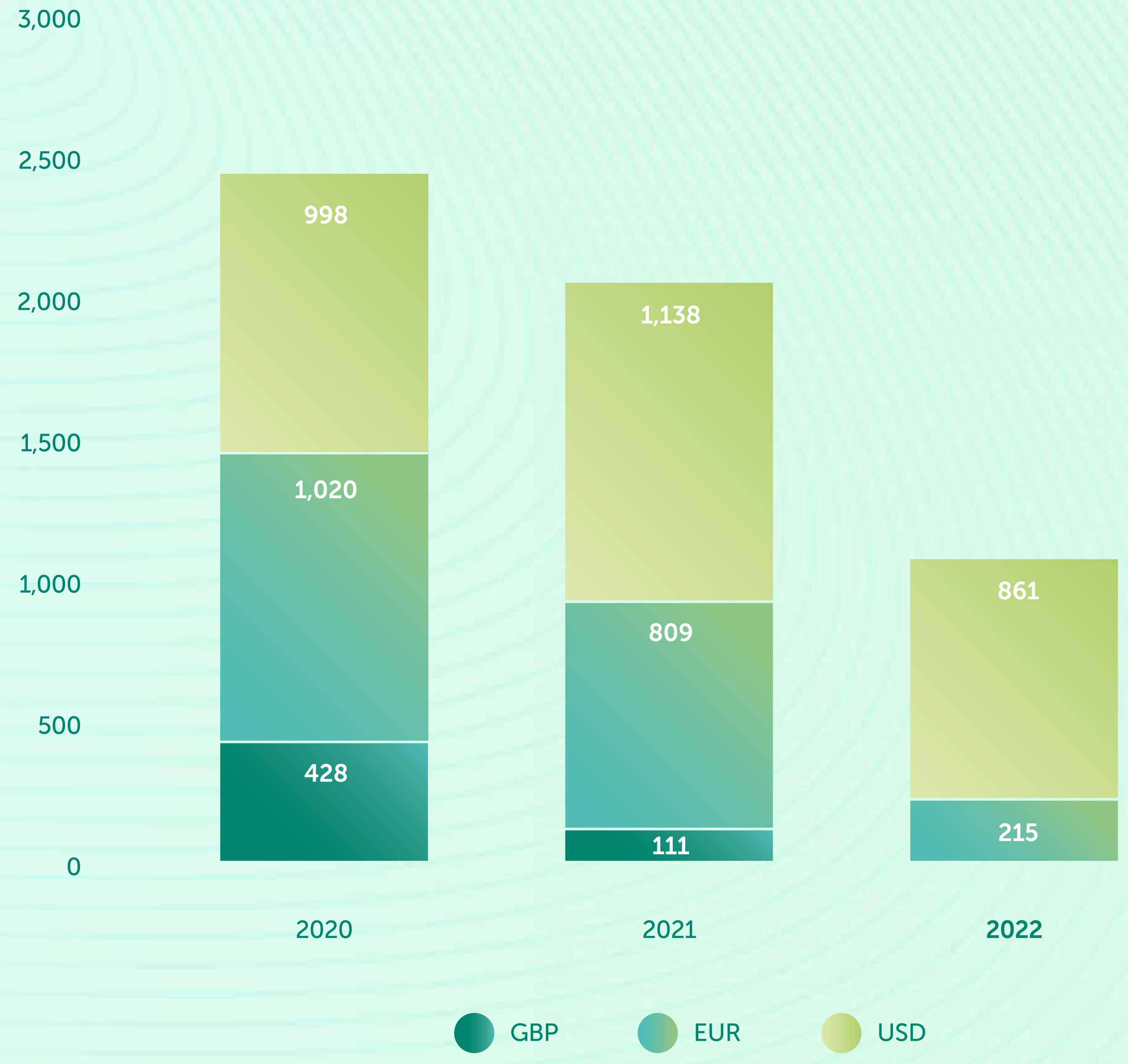
Group debt was down by Rs 2.1 bn following completion of the MIC transaction and the decrease is attributed mainly to the Agro-Industry segment.

Group Net Debt by Segment – Rs 5.3 Bn



The Group took a strategic decision since 2020 to reduce its debt exposure in foreign currencies. The evolution of debt in foreign currency has significantly reduced and is now at Rs 1.1 bn only (compared to Rs 2.1 bn in 2020). The foreign currency debt in 2022 relates mainly to the financing of the Omnihydro project for UDS 20 M (Rs 861 M).

Group Debt in Foreign Currency – Rs 1.1 Bn

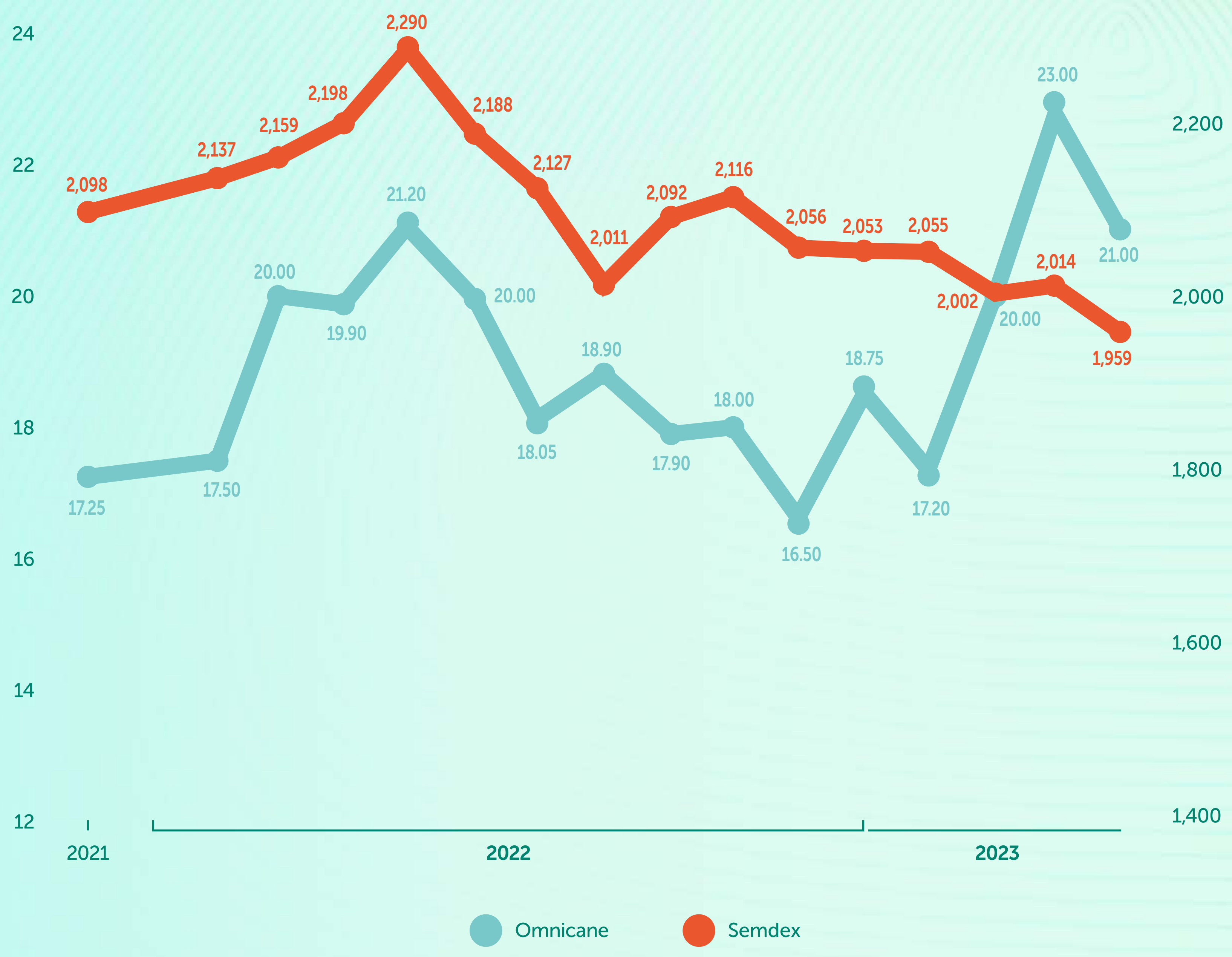


FINANCIAL CAPITAL

Share Price Evolution

The share price was marginally down by 0.3% in 2022 whilst the SEMDEX was down by 2.03%. The share price was significantly up in the first quarter of 2023 with an increase of 22% to reach Rs 21 at 31 March 2023.

Omnicane Share Price Performance



Value-Added Statement

201-1

	2022 Rs'000	2021 Restated Rs'000	2020 Rs'000
Direct Economic Statement Generated			
Group turnover	**8,765,414**	**5,625,967**	4,469,800
Other operating income	**50,928**	**70,058**	85,149
Other non-operating income / (expenses)	**270,849**	**(295,212)**	(66,760)
Income from investments	**7,347**	**8,049**	9,457
Production costs	**(6,808,127)**	**(3,890,638)**	(3,059,064)
Total Direct Economic Value Generated	**2,286,411**	**1,518,224**	1,438,582
Wealth Distributed			
To employees as salaries, wages and other benefits	**766,337**	**721,446**	786,966
To lenders of capital as interest	**417,389**	**642,010**	632,701
To minority shareholders as dividend	**60,000**	**28,000**	78,400
To Government as taxation	**38,199**	**81,220**	126,461
To communities as corporate social responsibility	**6,582**	**9,276**	13,077
Total Wealth Distributed	**1,288,507**	**1,481,952**	1,637,605
Wealth Reinvested			
Profit / (Loss) attributable to equity holders	**373,413**	**(776,581)**	(3,056,241)
Depreciation and Amortisation	**566,975**	**554,578**	572,362
Impairment of assets and allowances for credit losses	**57,516**	**258,275**	2,147,765
Fair value loss on investment properties	**-**	**-**	61,136
Deferred project expenses written off	**-**	**-**	75,955
Total Wealth Reinvested	**997,904**	**36,272**	(199,023)


We value
PASSION

OPERATIONAL DATA

AGRO-INDUSTRY & ENERGY

Operational Data	2022	2021	2020
AGRO-INDUSTRY & ENERGY			
Agriculture			
Area harvested (hectares)	**1,978**	2,270	2,304
Cane production (tonnes)	**151,460**	190,133	186,859
Sugar produced (tonnes)	**15,965**	18,583	18,916
Sugar accrued as planters (tonnes)	**12,453**	14,495	14,754
Sugar price (Rs)	**21,000**	15,000	12,282
Area harvested mechanically/total harvest area (%)	**88**	83	80
Milling			
Cane received (tonnes)	**742,914**	885,495	929,433
Sugar produced by the mills (tonnes)	**77,070**	85,506	88,023
Sugar accrued (@ 98.5 pol) as miller (tonnes)	**17,254**	18,546	19,538
Sugar price (Rs)	**21,000**	15,000	12,282
Refinery			
Sugar refined and sold (tonnes)	**188,558**	214,533	156,255
Bagged sugar sold (tonnes)	**184,873**	186,900	102,603
Distillery			
Molasses used (tonnes)	**60,654**	69,829	61,094
Bioethanol produced (million litres)	**17.7**	20.2	17.8
Light rhum sold (million litres)	**2.18**	-	-
Logistics			
Total materials transported (tonnes)	**1,070,531**	1,241,235	1,078,234
Energy – LB &SA			
Total electricity exported (GWh)	**697**	770	751
CBO – Cement additive produced (tonnes)	**19,779**	18,615	19,113
Energy – Omnihydro			
Total electricity exported to Rwandan Grid (GWh)	**26**	-	-

AGRO-INDUSTRY & ENERGY

Message from CEO Agro-Industry & Energy

The year 2022 was more positive for the Agro-Industry's segment with the increase in sugar price on world market and the positioning of its sugar refinery as a sugar hub. These two factors mitigated the high operational costs associated with rising costs of energy and raw materials, and the decrease in area under sugarcane cultivation. Our bioethanol distillery faced the same challenge of decreased availability of molasses but managed to compensate for it by further adding value to its products.

For 2023, we expect the same favourable market conditions to prevail concerning the price of sugar in general and specifically that of white refined sugar. By implementing strategic measures to sustain production within our cane supply area we are also expecting a stop of the decrease in the amount of sugarcane supplied to the mill. As far as the distillery is concerned, we will continue to diversify our products namely by producing rhum to mitigate the negative impact of low supply of molasses.

Concerning the Energy segment, the year 2022 witnessed a return to normal profitability for the thermal power plant of La Baraque which was affected by a rise in the price of coal in 2021. This year also marked the completion of the second segment and the full commissioning of the 5 MW hydroelectric power plant in Rwanda.

For the coming years, our main objective is to renew the Power Purchase Agreements of our thermal power plants in Mauritius while replacing coal with biomass, hence contributing to the Government's national objective on renewable energy. In parallel, we also envisage to implement other renewable energy projects in Mauritius and abroad.

Jérôme JAËN
CEO — AGRO-INDUSTRY & ENERGY

CLICK TO **PLAY AUDIO**

Strategic Objectives

Agro-Industry

Strategic Objectives:

- **Contribute to increase the area under sugarcane cultivation** by supporting planters to cultivate their lands, in context of favourable sugar price.
- **Further develop markets for refined sugar** and strengthen the positioning of the refinery as the sugar hub for the region.
- **Further diversify the range of products** manufactured by the distillery.

Key Figures:

2,129 Ha
Total area under cane cultivation

76.57 ton/Ha
Cane yield

1,479 tonnes
Potato harvest

77,214 tonnes
Plantation white sugar produced

184,873 tonnes
Bagged refined sugar sold

17.7 million litres
Bioethanol produced

2.2 million litres
Sustainable bioethanol sold – Fairtrade, Bonsucro EU RED II, 2BSvs

2.18 million litres
Light rhum sold

Energy

Strategic Objectives:

- **Replace coal with biomass** within our existing power plants, hence providing the country with a reliable and competitive base load renewable energy supply.
- **Implement renewable energy projects** in Mauritius and abroad.

Key Figures:

697 GWh
Total electricity exported to Mauritian grid

15 %
Contribution to Mauritian renewable energy mix

2.5 %
Contribution to Rwandan grid

Key Risks

- Further reduction in land under cane cultivation and cane supply
- Drop in sugar price
- Adverse climatic conditions
- Non-renewal of Power Purchase Agreements

TURNOVER	EBITDA	PAT
MUR 2,305M	MUR 621M	MUR 129M
2021: MUR 1,956M	2021: MUR 529M	2021: (MUR 199M)

OPERATIONAL DATA

PROPERTIES, RETAIL & BRANDS

Operational Data	2022	2021	2020
PROPERTIES, RETAIL & BRANDS			
Property			
Area developed (hectares) *Greenview & Business Park*	**64**	64	64
Retail & Brands			
Holiday Inn Mon Trésor Occupancy Rate (%)	**37**	32	57
Dina Sugar Sales (tonnes)	**337**	328	443
Dina Care Sales (m^3)	**98**	148	124

PROPERTIES, RETAIL & BRANDS

3-3 | 417-1

Message from CEO Properties, Retail & Brands

I am pleased to report that in 2022, the Properties, Retail and Brands SBU has performed better than expected, thanks to more favourable market conditions, post COVID-19 travel restrictions and normalised economic conditions.

For the Properties segment, we successfully completed infrastructural works of the Mon Trésor Business Park and the Greenview residential morcellement within their approved budgeted costs. In 2023, it is planned to complete 90% of the Deed of Sales for Greenview and 65% for the Business Park. We now aim to selectively develop our land following the completion of a new masterplan. We will have an integrated approach for the development of residential, light industrial, agricultural morcellements, a commercial centre and other potential projects to add value to the identified sites.

Within the Retail segment, the sales of our "Dina" range including Dina Life, our "Speciality Sugars" have increased exponentially during the year owing to our effective marketing strategy both locally and internationally. I am also pleased to report that our Dina Anti-Oxidant and Dina Low GI products have been showcased at the SIAL Paris Food Trade fair, and selected by the Jury of the Fair among the nominees for the "Best Innovation" award.

Dina Care Multi-Purpose sanitiser sales have slowed, due to less stringent COVID-19 protocols but still ranks as the No.2 preferred brand in the retail sector. Demand is still present for the 5 litre jerrycans in the health sector. In 2023, we will continue to develop new products to extend our Dina by Omnicane sugars and sanitizer offerings. The target is also to further tap into local and international markets.

As far as the hospitality segment is concerned, the Holiday Inn Mon Trésor's performance was better than the previous year, but still challenging. We are focusing energies on activity in the MICE market. In 2023, our priority will be to return to pre-pandemic levels including the development and training sector through the launch of the MQA approved Mon Trésor Development & Training Center.

Bertrand THEVENAU
CEO — PROPERTIES, RETAIL & BRANDS

CLICK TO **PLAY AUDIO**

Strategic Objectives

Property

Strategic Objectives:

- **To re-zone and re-strategise** the land holding of Omnicane and add value to its landmark sites.

Key Figures:

13 Ha
Business Park Commercial Morcellement Area

50
No. of plots developed

26
Business Park Reservations

100 %
Greenview Morcellement reservation level

Retail & Brands

Strategic Objectives:

- **To maximise return on all products** available from the Agro-Industry & Energy SBU, through value-added processing, packaging, branding and marketing.
- **In line with IHG's brand standards,** to maintain Holiday Inn Mon Trésor's reputation as a trustworthy hotel service provider and to reposition itself by complementing the Airport & Transit hotel with full-scale MICE, banqueting facilities and be a reliable business meeting venue.

Key Figures:

37%
Holiday Inn Mon Trésor Occupancy Rate

176%
Dina Sugar Sales Increase

Key Risks

- Volatility in sugar price
- Regulatory constraints
- Competition in more matured regions

TURNOVER	EBITDA	PAT
MUR 121M	MUR 138M	MUR 115M
2021: MUR 74M	2021: (MUR 284M)	2021: (MUR 526M)


We value
AGILITY

RISK & BUSINESS CONTINUITY MANAGEMENT

Governance

2-23 | 2-24

- Omnicane's Risk Management is a systematic process of risk identification, analysis and evaluation, providing a comprehensive overview of strategic risks and enabling the Group to mitigate and monitor the most significant risks.
- It ensures that risks related to the Group's strategy, both short-term and long-term, are identified and that relevant preventive actions are taken.
- Through the last few years, the Group has successfully adopted a risk-based culture and has been managing its risks and controls through its cloud-based ERM software.
- Omnicane also regards the precautionary principle as the major precondition and consensus for sustainability.
- In essence, this means that potential damage to the environment or human health must be avoided or minimised as far as possible in all business activities.

Risk Framework

- Omnicane's risk governance mechanism ensures accountability and authority for the management of risk, implementation, maintenance and continuous improvement of the risk management framework.
- Two levels of risk are considered: risks identified at Board level and risks identified at Business Unit levels. The risk hierarchy defines accountability for identifying, treating, monitoring, communicating and managing risks throughout the Group.
- The Board is responsible for management of the Board risks and the Department heads/ Risk Owners are responsible for managing risks identified at business unit level.

RISK GOVERNANCE & ACCOUNTABILITIES

Risk Committee

- Review risk reports and monitor effectiveness of risk management.
- Provide guidance to Internal Audit Function focusing on key areas for review.

Group Internal Audit

- Carry out internal audits on a risk basis.
- Provide assurance adequacy of controls across specific risk areas (including risk management).

RISK HIERARCHY

Board

- Approve and maintain Risk Management Policy.
- Set and review the Risk Appetite on a periodic basis.
- Maintain oversight of the Risk Management Framework.

Head of Legal, Risk & Compliance

- Report to the Board on risks and controls.
- Discuss with the Board status of mitigating Action Plan Performance against risk appetite.

Department Heads (Risk Owners)

- Attend periodic meetings to discuss risk management reports.
- Approve appropriate action to bring organisational risks within tolerance level.
- Maintain oversight of their respective risk/control owners.

Action & Control Owners

- Identify and assess new risks and update the cloud-based platform.
- Reassess the existing risks and send for approval.
- Updating the cloud-based software on controls performed at the pre-defined frequencies.
- Remediate control failures.

CLOUD-BASED SOFTWARE

Cloud-based Software

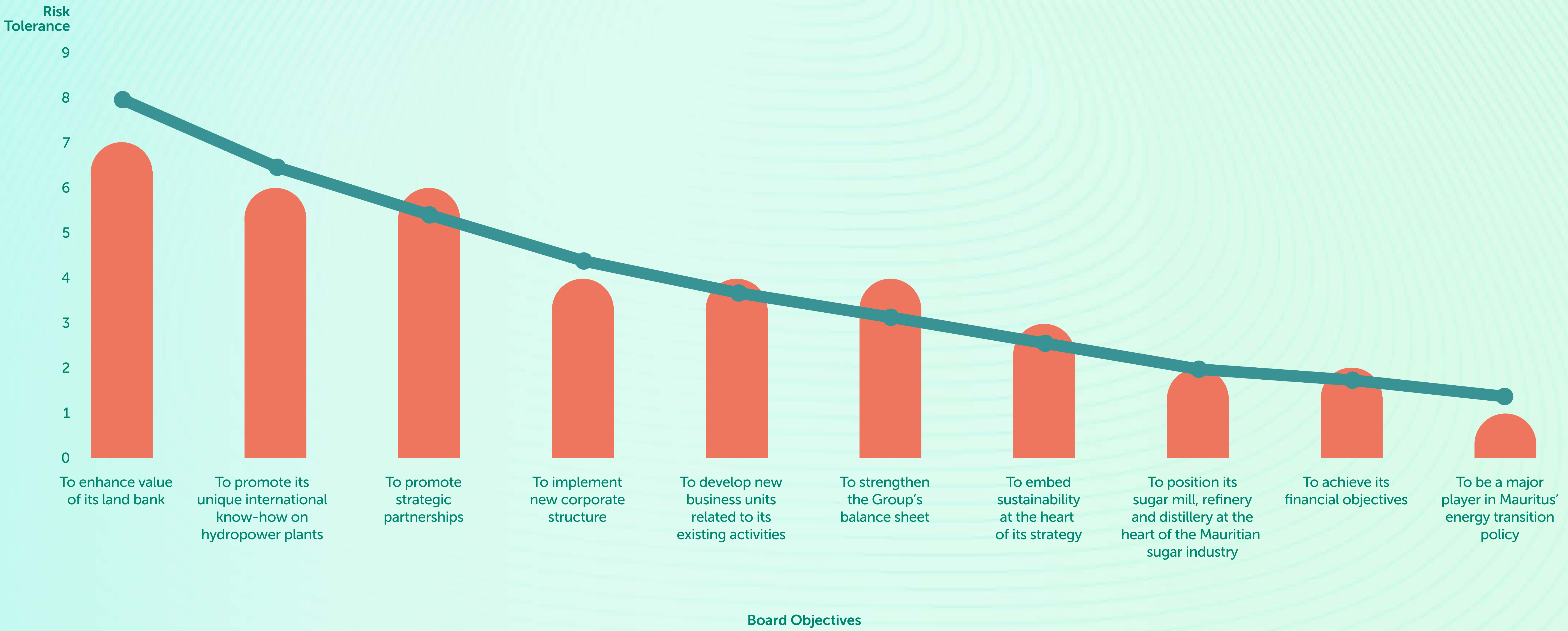
- Risk Registers
- Dashboard Reports
- E-mail Alerts
- Approval Tracking for Risk Assessment
- Exception reports
- Specialist Industry knowledge

RISK & BUSINESS CONTINUITY MANAGEMENT

Risk Tolerance & Appetite

- Omnicane's risk management approach includes integrating a risk culture within all aspects of its business.
- It aims to adopt a risk management strategy with a top-down approach covering all Group entities.
- The Group's updated overall risk tolerance is shown in the figure below:

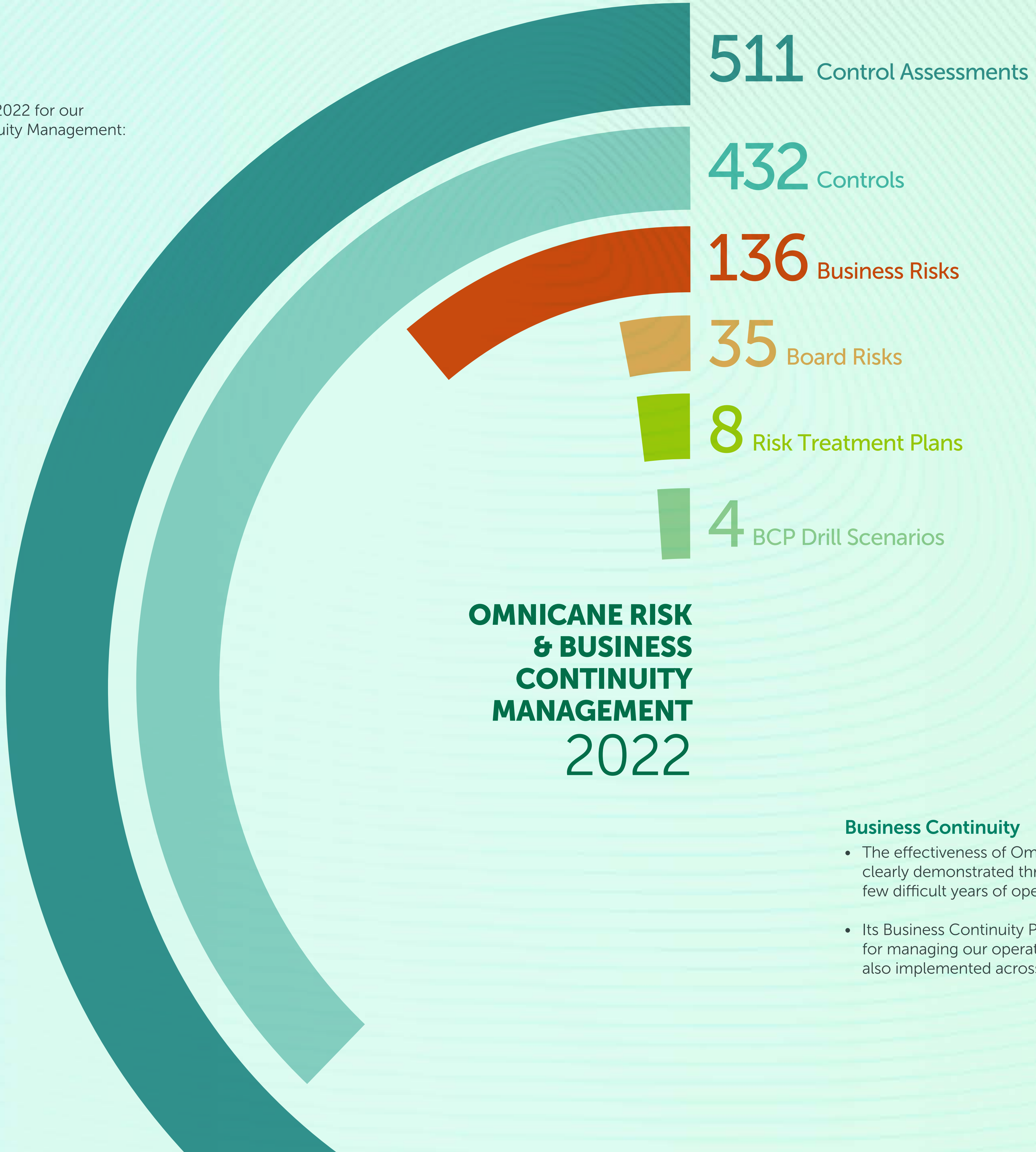
Risk Tolerance with regards to Board Objectives



RISK & BUSINESS CONTINUITY MANAGEMENT

Key Statistics

The figure below illustrates the key statistics in 2022 for our Enterprise Risk Management & Business Continuity Management:



Business Continuity

- The effectiveness of Omnicane's Business Continuity Management was clearly demonstrated through its resilience, and endurance during the last few difficult years of operation.
- Its Business Continuity Plans were effectively deployed across all entities for managing our operations and related procedures and protocols were also implemented across the Group.

RISK & BUSINESS CONTINUITY MANAGEMENT

Our Material Risks

2-25

In 2022, some material risks identified as per the six categories are as follows:

Risk	Risk Drivers	Impact on Value	Inherent Likelihood	Inherent Impact	Total Inherent Score	Mitigating Actions	Residual Likelihood	Residual Impact	Total Residual Score
Risk Category: Operational									
1. Decrease in sugarcane availability over time	• Land abandonment by small planter • Conversion of agricultural land for property development	• Financial impact • Operational impact	5	5	25	**Proactive controls:** • Presence of Planters' Advisory department to provide total cane management services to small planters. • Manage the sugarcane cultivation of other corporate planters.	3	4	12
Risk Category: Natural Environment									
2. Adverse climate conditions (climate change effects)	• Drought • Flash floods • Cyclone	• Low sugar yield • Increased proliferation of cane diseases • Insect infestation • Operational impact	4	4	16	**Proactive controls:** • Secure building and equipment including irrigation pivots. • Implementation of Heavy Rainfall protocol across the Group. **Reactive controls:** • Integrated Pest control and disease control management. • Sugar insurance fund board.	4	3	12
Risk Category: Compliance & Regulatory									
3. Stricter environmental regulations	• Change in legislation • Pollution & poor effluent management • Environmental NGOs pressure	• Delays in starting/ending projects • Unexpected costs	3	4	12	**Proactive controls:** • Sustainability and legal department ensure that regulatory updates are applied as and when required. • EIA study or voluntary standards applied for major projects. • Ensure that contractual agreements with contractors include environmental conditions.	2	4	8
Risk Category: People									
4. Losing key employees	• Non-attractive remuneration package • Lack of career growth opportunities	• Loss of expertise and experience within the Group • Operational impact	4	3	12	**Proactive controls:** • Ensure that employee compensation and benefits are aligned with the market and industry. • Assess competencies within the Group. • Create opportunities for people to grow in respect of mandatory functional and soft skills. **Reactive controls:** • Seek organisation optimisation within the Group. • Consider recruitment through different channels.	3	3	9
Risk Category: Financial									
5. Adverse fluctuations in foreign currency	• Economic performance (internationally) • Inflation & interest rates • Economic recession • Balance of Payments	• Higher costs or lesser revenue • Decreased profitability	5	3	15	**Proactive controls:** • Hedging techniques applied • All foreign purchases are managed by the Group Treasury and timing is adjusted accordingly. • Cash flow forecasts are taken into consideration prior to entering into hedging contracts. • Group Treasury used real time information to make informed decisions. • Aggressive monitoring of FX markets	1	3	3
Risk Category: Strategic									
6. Impacts of "No to coal" policy	• New regulatory requirements with respect to climate change • Government policy • Pressure from environmental NGOs • Client/Investors exigencies	• Reputational impact • Higher operational and compliance costs • Non-renewal of contracts	5	5	25	**Proactive controls:** • Successful trials done to switch towards renewable source of energy – biomass in both power plants	4	4	16


We value
TEAM SPIRIT
& RESPECT

ESG FRAMEWORK

2-22

In line with Omnicane's vision, sustainability is an integral part of its DNA and business strategy. This is crucial for the Company's future, as well as for the future of our stakeholders and the planet at large. Omnicane was one of the first in the local sugarcane industry to embrace the sector's reform and successfully implement the integrated industrial ecosystem at the La Baraque cluster based on the circular economy approach hence contributing to its resilience.

As a much larger umbrella of sustainability, ESG is a framework which is used to assess an organisation's business practices, performances and governance on various sustainability and ethical issues. It also enables the measurement of business risks and opportunities in those areas. With a maturing Sustainability, Enterprise Risk Management & Business Continuity & Governance structure, Omnicane is committed to be among the ESG leaders in the region for a better tomorrow. The focus areas of its ESG framework are as follows:

E – ENVIRONMENTAL

- Circular economy model
- Materials
- Energy
- Water
- Climate change
- Emissions
- Effluents & Waste

S – SOCIAL

- Stakeholder engagement & management
- Human Capital including Human Rights
- Social & Relationship Capital
- Supply Chain Management

G – GOVERNANCE

- Governance Structure
- Board Composition
- Directors' Appointment Procedures
- Board induction & Evaluation
- Code of Business Conduct & Ethics
- Risk Governance & Internal Control

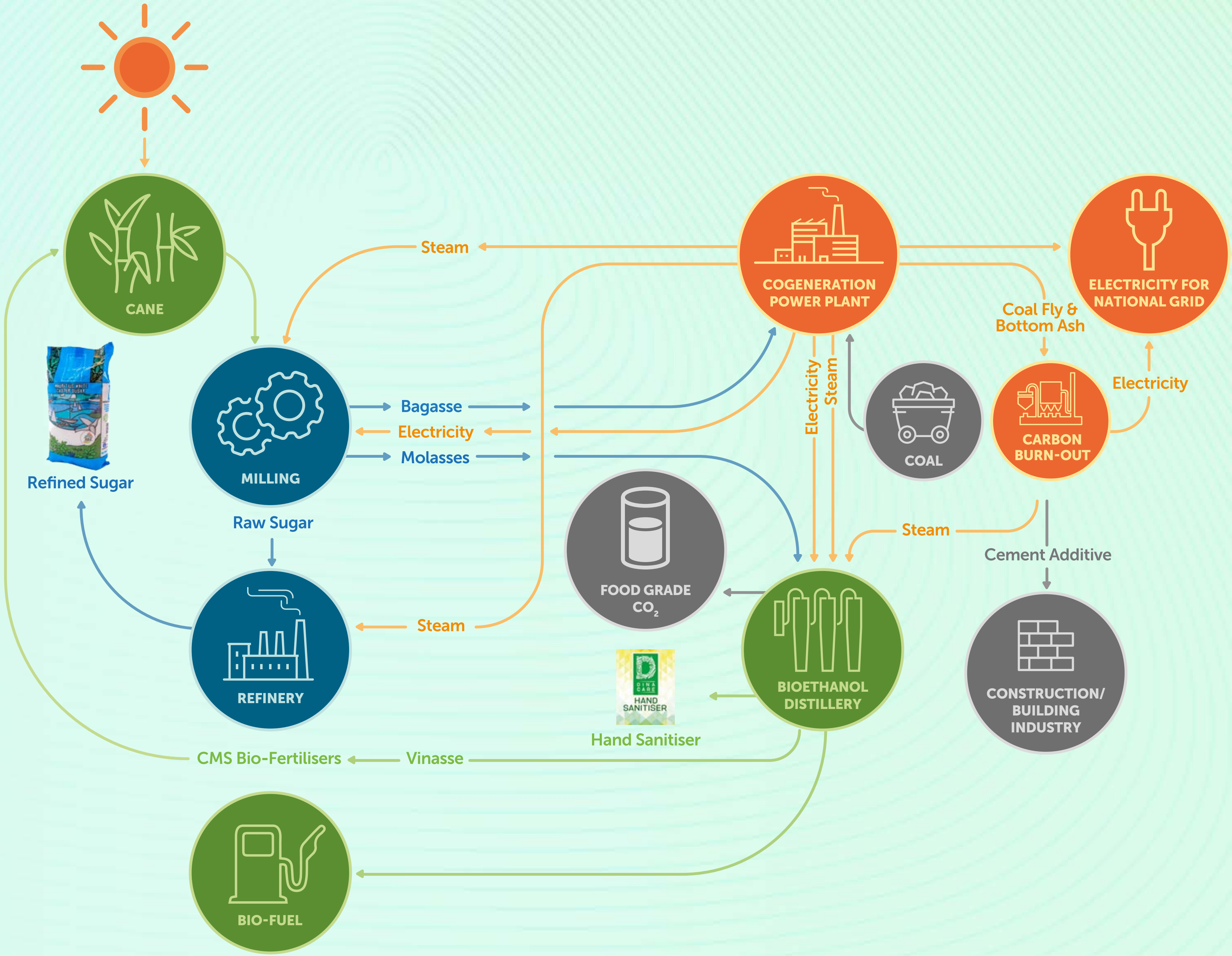
ENVIRONMENTAL

Circular Economy Model

With sugarcane as the base of its activities, Omnicane's operations at La Baraque are clustered in closed-loop networks where the by-products generated by one activity or process becomes the input to another activity, so that the overall system does not produce any waste or produces minimal waste. This follows the principles of circular economy or industrial symbiosis. The integration of these activities at La Baraque is arguably the most advanced example of circular economy and value-addition of by-products in Mauritius, and it is continuously being improved through technology transfer and investments in Research & Development.

The main components of La Baraque circular economy model in 2022 are:

- Contribution to the renewable energy mix by 16% by burning bagasse at La Baraque Power Plant.
- Value-addition of sugarcane molasses to produce 17,534,909 litres of bioethanol including 2,399,856 litres of light rhum.
- Value-addition of 57,848 tonnes of CMS bio-fertilisers for use in sugarcane cultivation.
- Use of 1,993 tonnes of CO_2, by-product from the distillery in the beverage industry.
- 30,657 tonnes of fly and bottom coal ash (2021: 24,876 tonnes) were recycled by the Carbon Burnout unit for subsequent use as cement additive for the construction industry.
- Interchange of steam and bagasse between Thermal LB power plant and the sugar milling.
- Recycling of 32,298 m³ of condensates from distillery in the mill's diffuser.
- 292 tonnes of scum (2021: 57 tonnes) were distributed to small planters for use as bio-fertilisers for replantation in their sugarcane fields.



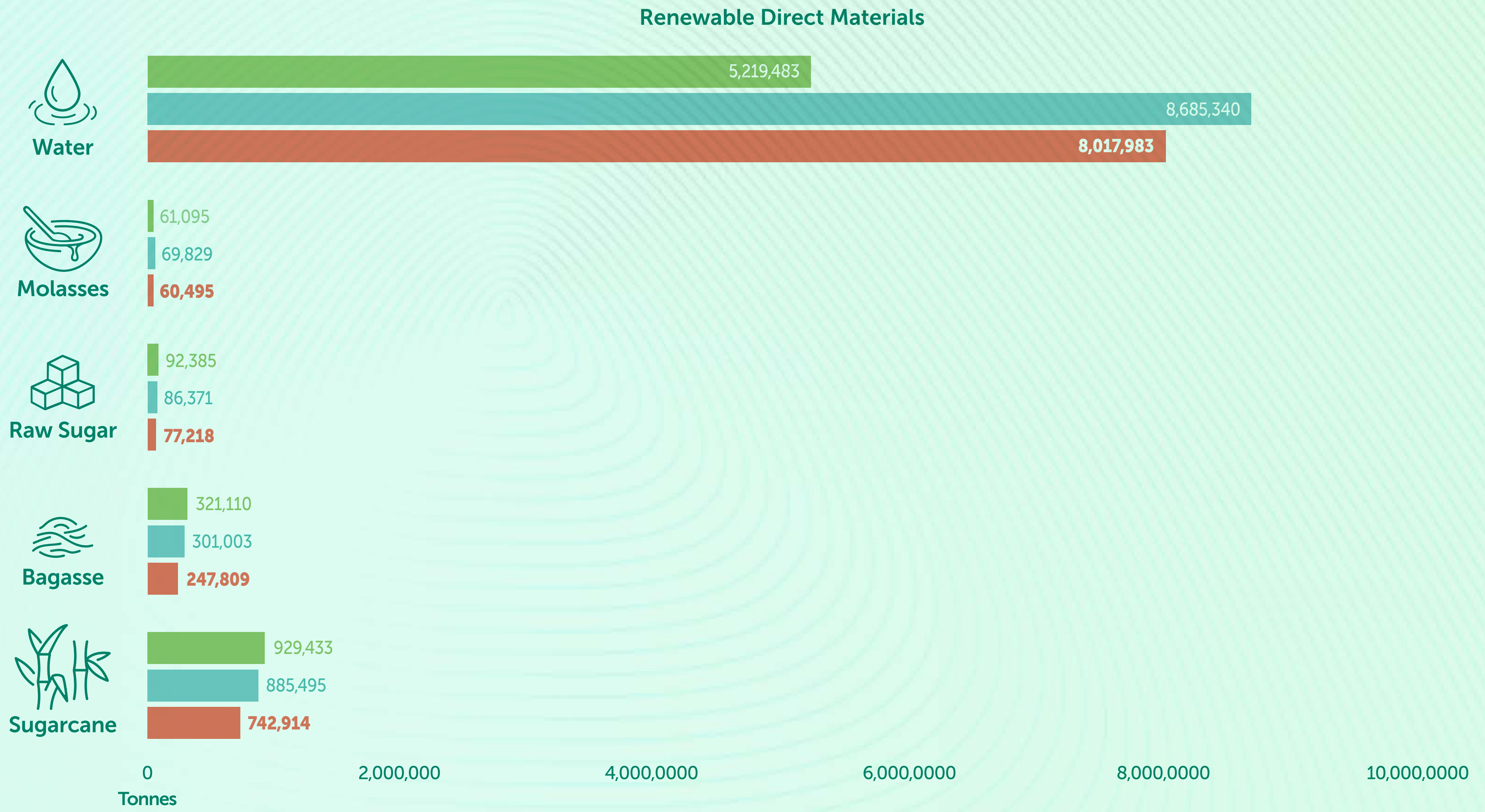
ENVIRONMENTAL

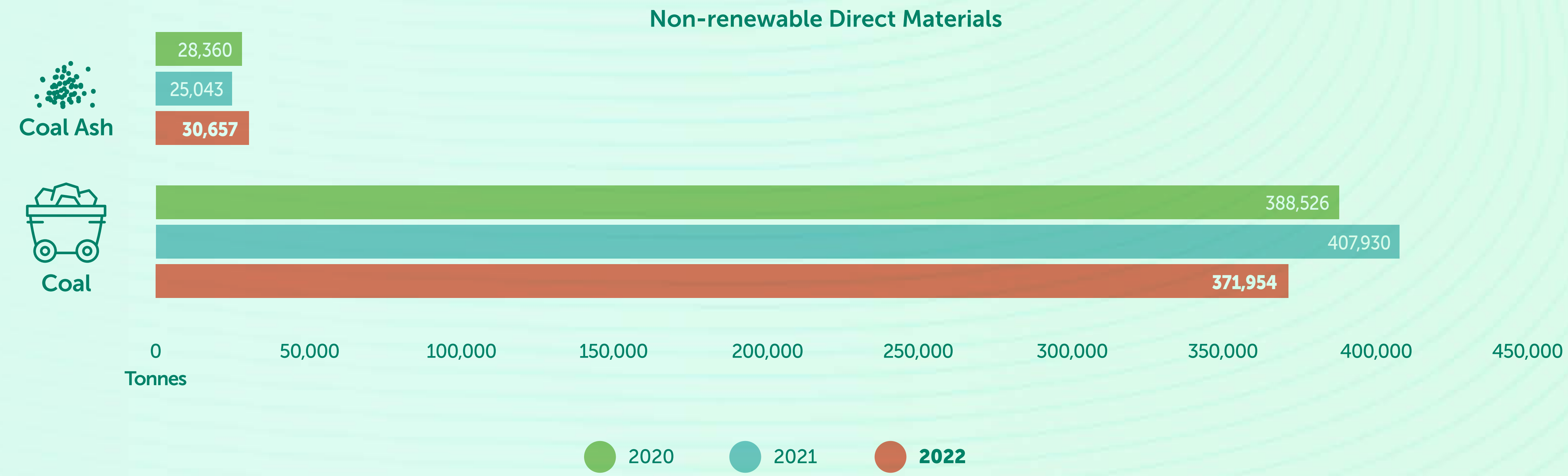
Materials Management

3-3 | 301-1

Omnicane acknowledges that effective material management forms an important part of its supply chain and involves the correct planning, procurement and control of materials entering its different processes at the right time, in the right quantity and the right cost. This also involves minimising wastes and reducing operational costs.

- Materials used in Omnicane's operations have been categorised into renewable, non-renewable, direct, and indirect materials.
- Renewable direct materials consist of sugarcane entering the sugar factory, raw sugar used in the refinery, bagasse used in the power plant, molasses used in the bioethanol distillery and water used in the different process operations.
- Non-renewable direct materials consist mainly of coal used by both power plants at La Baraque, and St Aubin and coal ash used as raw material in the Carbon Burn Out plant.
- In 2022, total amount of renewable direct materials was 9,146,419 tonnes (2021: 10,028,038 tonnes).
- Total amount of non-renewable direct materials was 402,611 tonnes (2021: 432,973 tonnes).
- Overall decrease of 8% in the total amount of direct renewable and non-renewable materials used principally due to decreasing sugarcane harvest and subsequently less sugarcane derivative raw materials used.
- Renewable indirect materials consist of Concentrated Molasses Stillage (CMS) and carbon dioxide.
- In 2022, 59,841 tonnes of renewable indirect materials (2021: 72,174 tonnes) were supplied.





ENVIRONMENTAL

Materials Management (cont'd)

301-1 | 301-2 | 301-3

- Non-renewable indirect materials include pesticides, herbicides, chemical fertilisers and industrial chemicals used in our operations and these summed up to 2,151 tonnes in solid form and 28,183 litres of chemicals and fertilisers in liquid form in 2022 (2021: 2,994 tonnes and 20,987 litres).

- It is also worthwhile noting that in 2022, 8,641 tonnes of organic fertilisers (2021: 8,848 tonnes) were used in sugarcane fields over 1,158 hectares (2021: 1,355 hectares).

- 5.3 tonnes (2021: 2.8 tonnes) of recyclable plastic and paper packaging used for Dina Sugar in 2022

ENVIRONMENTAL

Energy Management

3-3 | 302-1 | 302-2 | 302-3 | 302-4 | 302-5

As one of the major Independent Power Producers in Mauritius, Omnicane's power plants contributed 24% of the total national electricity production in 2022 (2021: 28 %). Omnicane remains committed to contribute further to the Government's vision to achieve 60% renewable energy mix by 2030.

With the support of its strategic partner, Albioma, Omnicane's two power plants are continuing trials on biomass as fuel in a bid to green their electricity supply and eventually phase out the use of coal.

Omnicane is also committed to monitor, control and optimise its energy consumption to conserve use and decrease energy costs. The table below illustrates the 3-year analysis of the total direct energy consumption from renewable and non-renewable sources of energy. In 2022, there was a decrease in renewable energy consumption by 8% owing to less bagasse used at La Baraque power plant (because of less sugarcane received).

	2022		2021		2020	
	Renewable Source/GJ	Non-Renewable Source/GJ	Renewable Source/GJ	Non-Renewable Source/GJ	Renewable Source/GJ	Non-Renewable Source/GJ
Direct primary energy purchased	**0**	**169,061**	0	149,104	0	123,740
Plus direct primary energy produced	**1,204,439**	**3,343,732**	1,336,031	3,658,923	1,278,184	3,420,135
Minus direct primary energy sold	**(288,572)**	**(2,220,945)**	(338,019)	(2,434,346)	(358,853)	(2,348,164)
Total direct energy consumption	**915,867**	**1,291,848**	998,012	1,373,681	919,331	1,195,711

Energy Efficiency

Omnicane places much emphasis on demand-side management and energy efficiency in its different operations. For instance, the optimisation of processes in the last few years have continued to bear fruit and the Group has achieved energy savings mainly in its sugar factory and bioethanol distillery in 2022. However, there was an increase in the specific steam consumption of the sugar factory and refinery due to decreased supply of sugarcane.

SUGAR FACTORY	2022	2021	2020
Specific steam consumption (sugarcane crushed)	**408 kg/tonne**	384 kg/tonne	398 kg/tonne
Specific electricity consumption (sugarcane crushed)	**22.4 kWh/tonne**	21.5 kWh/tonne	21.9 kWh/tonne

REFINERY	2022	2021	2020
Specific steam consumption (refined sugar produced)	**1.42 kg/tonne**	1.33 kg/tonne	1.06 kg/tonne
Specific electricity consumption (refined sugar produced)	**68 kWh/tonne**	69 kWh/tonne	69 kWh/tonne

DISTILLERY	2022	2021	2020
Specific steam consumption (bioethanol produced)	**5.3 kg/litre**	5.6 kg/litre	5.9 kg/litre
Specific electricity consumption (bioethanol produced)	**0.23 kWh/litre**	0.24 kWh/litre	0.24 kWh/litre

ENVIRONMENTAL

Water Management

3-3 | 303-1 | 303-2 | 303-3 | 303-5

As an essential natural resource, water is used judiciously as process input mainly in agriculture, milling and energy operations. Following adverse weather conditions and drought in the last few years, Omnicane's water stewardship strategy focuses on reusing water, minimising losses and returning it to its source while maximising the efficiency of its operations. During the crop season, excess process water from the mill and distillery is reused for sugarcane irrigation. Omnicane also does not operate in water stressed regions and its water usage does not compete with sources of domestic supply.

- In 2022, the total surface water used amounted to 5,287,092 m^3 (2021: 6,080,306 m^3).
- The total amount of groundwater abstracted and used for irrigation was 2,730,891 m^3 (2021: 2,605,034 m^3).
- For tap water consumption used mainly in offices and hotel, this amounted to 26,145 m^3 in 2022 (2021: 67,781 m^3).
- Overall, the Group's total water consumption dropped by 8%. This decrease can be attributed mainly to less water used in the milling, thermal energy & distillery operations.

Climate Change

201-2

It is an undeniable fact that climate change is reshaping the general operating business environment, prompting a shift toward a low carbon economy. Locally, the effects of climate change can already be felt due to adverse weather conditions such as frequent torrential rainfalls, flash floods, drought, and cyclones. These directly impact our different operations. As such, Omnicane is fully committed to working towards minimisation of its Greenhouse Gas emissions. Trials using other biomass sources on our two power plants are ongoing and is in line with the Company's strategy to phase out coal in its operations in the future.

ENVIRONMENTAL

Greenhouse Gas Emissions

3-3 | 305-1 | 305-2 | 305-5

In 2022, Omnicane's power plants at La Baraque and St Aubin emitted on average 1.3 tonnes of CO_2/MWh of electricity produced from coal, which represents a total of 884,180 tonnes of CO_2 (2021: 980,793 tonnes) released. Also, its bioethanol distillery captured and delivered some 1,993 tonnes of carbon dioxide to Gaz Carbonique Ltd for use in the beverages industry. The use of bagasse as fuel further contributed to avoiding the emission of around 81,522 tonnes of CO_2e in 2022, which helped us mitigate greenhouse gas emissions and reduce our impact on climate change.

Avoided CO_2 Emissions

	2022	2021	2020
Bagasse-related electricity exported to the national grid (MWh)	**80,159**	93,894	99,681
Avoided emissions from the burning of bagasse in tCO_2	**81,522**	95,490	101,376

Emission factor of bagasse = 0.775 $kgCO_2$/kg (bagasse) = 1.017 tCO_2/MWh

(Source: 2006 IPCC Guidelines for National Greenhouse Gas Inventories)

Emissions Management

Omnicane's atmospheric emissions mainly come from its two power plants at La Baraque and St Aubin. They are both equipped with highly performing Electrostatic Precipitators (ESPs) for flue gas treatment. In addition, both the La Baraque cluster operations and the St Aubin power plant are subject to quarterly ambient air quality monitoring and stack monitoring exercises by the Air Pollution Monitoring Unit of the Mauritius Cane Industry Authority. Reports demonstrate that all parameters measured are compliant with the EPA 1998 Standards.

Stack Monitoring Results:

305-6 | 305-7

1(a) Thermal – La Baraque

Bagasse as Fuel	Concentration @ 15% Oxygen Min.	Max.	EPA 1998 Standards
Carbon dioxide (%)	0	0	None
Carbon monoxide (mg/m^3)	5	5.7	1,000
Sulphur dioxide (mg/m^3)	46	160.2	2,000
Oxides of nitrogen (mg/m^3)	52.8	186.5	1,000
Particulate matter load (mg/m^3)	28	263	400

1(b) Thermal – La Baraque

Coal as Fuel	Concentration @ 15% Oxygen Min.	Max.	EPA 1998 Standards
Carbon dioxide (%)	3.2	6.4	None
Carbon monoxide (mg/m^3)	54	209	1000
Sulphur dioxide (mg/m^3)	272	307	2000
Oxides of nitrogen (mg/m^3)	85	255	1000
Particulate matter load (mg/m^3)	14	35	200

2. Thermal – St Aubin

Coal as Fuel	Concentration @ 15% Oxygen Min.	Max.	EPA 1998 Standards
Carbon dioxide (%)	5.1	6.2	None
Carbon monoxide (mg/m^3)	17	27	1,000
Sulphur dioxide (mg/m^3)	64	400	2,000
Oxides of nitrogen (mg/m^3)	52	73	1,000
Particulate matter load (mg/m^3)	32	37	200

ENVIRONMENTAL

Effluent and Waste Management

3-3 | 303-4 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5

With the zero-waste concept of La Baraque industrial cluster where one operation's waste becomes another operation's input, Omnicane is committed to create new ways of turning waste into opportunity. This is important for adding value to its by-products and optimising resource efficiency. The commitment for its waste management programme emerges from its Group Environmental Policy which places strong emphasis on the Reduce, Reuse and Recycle concept. Also, the Company is continuing in its approach to recycle treated effluents into the milling process, in view of decreasing the volume of effluent generated in the cluster operations.

The table below shows effluent generation and disposal in terms of volumes and destinations.

Entity	Volume of Wastewater Discharged, m^3 (est.)			Destination
	2022	2021	2020	
Milling (Raw house & Refinery) clean water	1,143,807	1,519,060	1,402,781	Cane irrigation
Milling (Raw house) effluent	69,585	53,546	51,452	Recirculated in the process
Milling (Refinery) effluent	6,189	7,134	3,513	Recirculated in the process during the crop season and sent to cane irrigation during the intercrop period
Thermal – La Baraque	556,803	653,284	560,315	Clarified through a decantation pond before reuse for cane irrigation
Thermal – St Aubin	268,453	280,724	287,753	Clarified through a decantation pond before canal disposal
Distillery	92,351	112,227	87,483	Recirculated in the sugar mill during the crop season. During the intercrop period, partly reused in distillery operations as well as for irrigation of cane fields
Holiday Inn Mauritius Mon Trésor Hotel	7,157	6,943	7,645	Processed through a dedicated treatment plant and reused for irrigation of lawn

Solid Waste

The implementation of solid waste management practices within all Omnicane entities is under way. Omnicane's entities send their used oil and metallic wastes specialised recycling companies. Other recycling opportunities for paper, used batteries, plastic, green waste, IT waste etc. are currently being studied.

SOCIAL

Stakeholder Analysis and Engagement

2-29

- Omnicane duly respects the needs and expectations of its stakeholders/interested parties that it interacts with during the course of its activities and business operations.
- This helps the Company to translate stakeholder needs into organisational goals and creates the basis for effective strategy development.
- Under the Bonsucro and ISO 9001:2015 Quality Management System certifications, some of Omnicane's certified entities report on the method of stakeholder engagement, prioritisation strategy and how to monitor them on a defined interval.

	Customers 3-3 | 416-1 | 418-1	Shareholders	Employees	Banks & Financial Institutions	Suppliers/ Contractors	Government/ Regulatory Bodies	Trade Unions	Local Community/Public
Strategic Objectives	• Ensure customer satisfaction and timely delivery on promises • Be a reliable partner in the feed-to-food chain • Be compliant with the various standards such as ISO 9001:2015, ISO 22000:2018, BRC, & IHG brand standards	• Increase shareholder value	• Foster an enabling and productive work environment • Promote and maintain industrial peace and harmony • Pursue our training programme for productivity enhancement	• Fulfil financial commitments	• Support local suppliers and promote the procurement of locally available raw materials • Ensure a sound choice of suppliers	• Commitment to compliance with laws and other requirements • Participation and collaboration with policymakers on strategic decisions about the cane industry, the environment and sustainable development	• Harmonious employer-employee relations	• Social responsibility and engagement through CSR
How We Interact	• Meetings – online or face to face • Client audits • Email or letters	• Quarterly financial statements • Annual Integrated Reports • Omnicane website (www.omnicane.com)	• Notice boards/signage • Email • Memos • Website • Meetings	• Meetings • Email	• Meetings • Supplier evaluations	• Close collaboration and meetings with Government and parastatal bodies	• Meetings	• Newsletter • Meetings • Sponsoring community-based projects • Social media
Frequency of interaction	As and when required	Quarterly & yearly	Daily/As and when required	As and when required	As and when required	As and when required	As and when required	Quarterly/As and when required

HUMAN CAPITAL

Strategic Objectives

- Omnicane considers its human capital to be its important asset as the attitudes, skills and abilities of its workforce contribute to its organisational performance and productivity.
- As an equal opportunity employer, it ensures that all employees are treated fairly and are provided the opportunity to grow.
- Omnicane endeavours to be an employer of choice, to attract, develop, engage and retain talents.

Human Capital Management

2-7 | 3-3 | 401-1 | 401-2

- Omnicane strives to recruit the right person for the right job. Its business requirements and operations are expanding, hence the need to focus on people and talent management.
- During the year, a total of 1,216 people (2021: 1,333 employees) were employed by Omnicane out of which 10% were female.

Training and Development

3-3 | 404-1 | 404-2 | 404-3

- Omnicane promotes the development of a sustainable learning and development culture among employees.
- With changing business requirements and expansion, Omnicane must ensure that employees are well equipped to achieve operational excellence.
- Training is therefore key to develop in depth knowledge or awareness and acquire technical and soft skills.
- Further to the Training Needs Analysis, learning and development programmes have been identified and prioritised during the year under review.
- In this context, Omnicane partnered with learning & development organisations for mandatory, functional and soft skills training.

Labor/Management Relations

2-26 | 3-3 | 402-1

- Omnicane encourages collaboration, understanding and trust in Labor/ Management relations.
- In order to promote healthy Labor/ Management relations, there are different forums whereby the employees and the employer can share issues namely through Work Councils, Safety & Health Committees.
- The open door policy culture enables communication, consultation and conflict resolution.
- Disciplinary and grievance procedures are adopted to provide structures for dealing with difficulties which may arise as part of the working relationship. These procedures ensure that each individual is treated equally in similar circumstances and that issues are dealt with fairly and reasonably.

Industrial Relations

- During the year under review, Omnicane has complied with the prevailing labor laws and respects the terms and conditions of employment as per the collective agreements of the different bargaining units.
- Collective agreements have been signed with respective trade unions for agricultural, milling, refinery, logistics and distillery operations.

Human Rights

3-3 | 408-1 | 409-1

- Omnicane's corporate culture supports all initiatives respecting human rights. It complies with all applicable ILO conventions to which Mauritius is a signatory.
- It has also implemented its Child and Forced Labor and Equal Opportunity policies.

Freedom of Association and Collective Bargaining

2-30 | 3-3

- Omnicane recognises the right to freedom of association and collective bargaining. Employees are free to join trade unions.

Diversity and Equal Opportunity

3-3 | 406-1

- As an equal opportunity employer. Omnicane promotes equity, opportunity and respect in all its operations.
- During the year, no incidents of discrimination have been reported to our HR department.

Employee Welfare & Wellness

- Following the success of the Fighting Diabetes at the Workplace programme, Omnicane has engaged on the Smart Diabetes Education Project.
- The objective is to promote self-management education and intervention in the field of diabetes.
- In this context, it has set up an Employee Welfare and Wellness Committee to support their overall health and well-being.

Occupational Safety and Health

3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-9 | 403-10

- Omnicane is committed to providing a safe working environment to all employees and any other stakeholder working on its premises.
- Safety and Health officers at each operational site ensure that Omnicane complies with the Occupational Safety and Health Act of Mauritius.

Safety & Health Committees

- Safety and Health Committees are held and are effective collaborative forums where safety and health issues are discussed and addressed by employees and management.
- The table below shows the number of occupational accidents and man-days lost in our Business Units, as well as employee representations in Safety & Health Committees.
- It is worthwhile noting that the total number of accidents has reduced by 10% compared to 2021, following strong measures taken on Safety & Health at all our operations. Also, there has been no fatal accident recorded during the year.

Business Unit (BU)	Number of occupational accidents	Man-days lost	Employee Representatives (including Management)
Agriculture	15	77	16
Milling	43	178	17
Refinery	13	86	16
Distillery	3	31	10
Energy La Baraque	0	0	16
Energy St Aubin	0	0	11
Logistics	25	178	12
Holiday Inn Mon Trésor	4	24	18

SOCIAL & RELATIONSHIP CAPITAL

Local Communities

3-3 | 413-1

Omnicane considers the local community as one of its important stakeholders and is committed to maintain a harmonious and close relationship with them as well as promote social inclusiveness. Special and dedicated communication channels are in place between the local community and the Management to discuss on social and environmental matters pertaining to Omnicane's operations.

Corporate Social Responsibility

413-1

During the year under review, Omnicane Foundation has been engaged with different NGOs and civil society organisations to sponsor several social and environmental projects under the following categories: Education & Training, Environment, Health, Leisure & Sports and Socio-Economic Development.

In 2022, the CSR funds received from entities within the Group were as follows:

CSR Contributions from Different Entities	Amount (Rs)
Omnicane Thermal Energy Operations (St Aubin) Ltd	538,796
Omnicane Treasury Management Ltd	119,172
Omnicane Thermal Energy Operations (La Baraque) Ltd	1,156,738
Total approved reduced remittance amount	1,810,000
Total CSR funds available in 2022	3,624,705

CSR Expenses	Amount (Rs)
Administrative Fees	294,345
Health	502,915
Educational Support & Training	824,498
Environment and Sustainable Development	507,435
Leisure and Sports	346,753
Peace and Nation-building	36,975
Social Housing	100,000
Socio-Economic Development	1,122,442
Supporting People with Disabilities	643,250
Total CSR Expenses	**4,458,613**

Key CSR Events

May 22: Sponsorship of environmental campaign at Camp Carol Kenya

Aug 22: Sponsorship of mural paintings at Sir Claude Noel & La Sourdine Govt Schools in context of the Save Soil Campaign

Oct 22: Award of certificates for the Organic Backyard Gardening Project to beneficiaries from Britannia

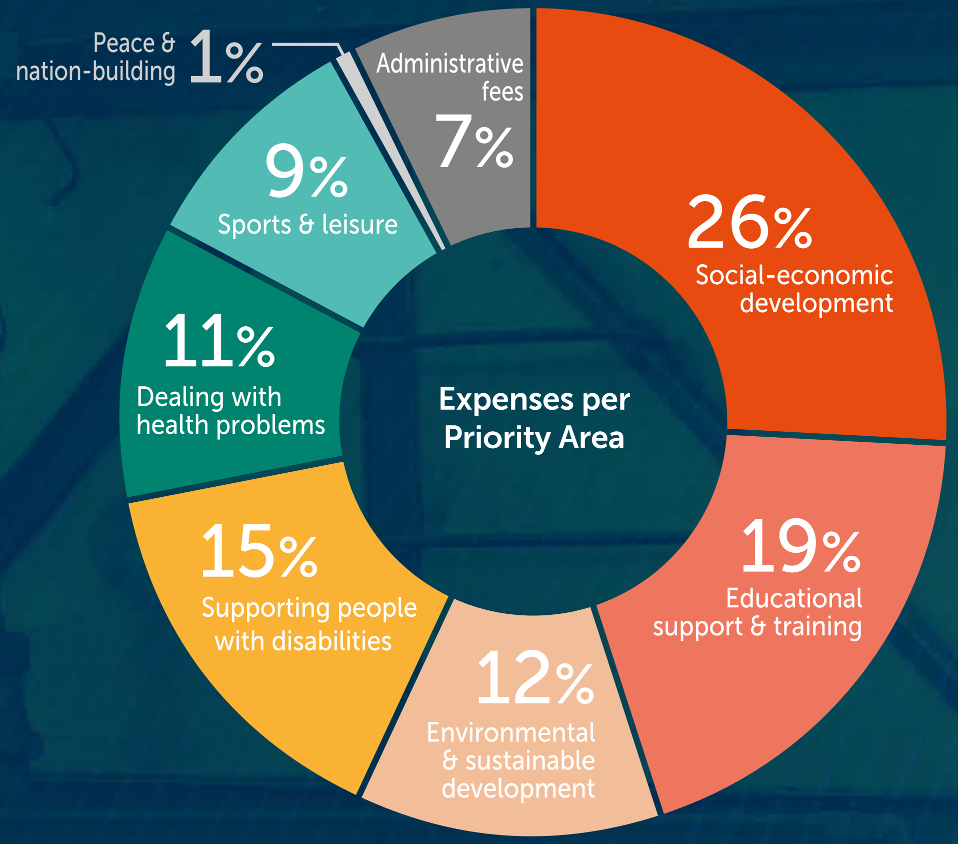
Nov 22: Free medical check up and counselling by APSA at Omnicane House on the occasion of World Diabetics Day

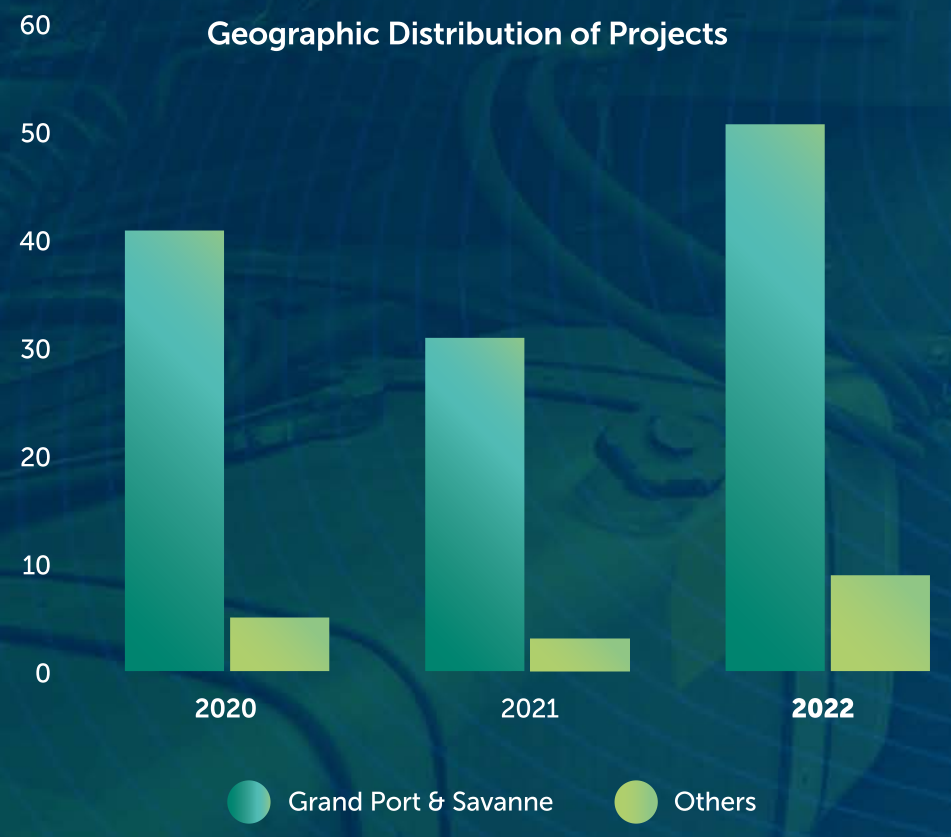
Nov 22: Free medical check up and counselling by PATH at Camp Carol on the occasion of World Diabetics Day

Dec 22: Donation of toys and essential food items to needy persons at Batimarais, Camp Diable for Christmas

Feb 23: Partnership between Omnihydro and Water Access Rwanda for installation of a rainwater collection and treatment system in Gasenyi School, Nyamagabe, Rwanda

SOCIAL & RELATIONSHIP CAPITAL





Supply Chain Management

3-3 | 204-1

- Omnicane is committed to sustainable and responsible practices in all aspects of its different operations, including its supply chain management.
- The Company's goal is to create a robust, resilient, and transparent supply chain that adds value to all stakeholders, including our customers, suppliers, and the communities in which it operates.
- During the year under review, the Company continued its efforts to build strong relationships with our suppliers and conducted supplier assessments in line with ISO standards.
- The Procurement department works closely with its suppliers to identify opportunities for improvement and to develop innovative solutions that enhance our operations. This while keeping the optimisation of our logistics and transportation processes and implementing risk management strategies.
- The Company has also prioritised wherever possible suppliers registered under the Made in Moris and SigneNatir labels.
- In 2022, Omnicane's spending on local suppliers amounted to 41% (2021: 57%) of the total expenditure on procurement of goods, works and services for the Group.
- Its local supplier base consisted of 82% of the total suppliers that the Company collaborated with in 2022.
- Looking ahead, the Group intends to develop a more efficient inventory management system to reduce waste, promote its supplier diversity programme to reduce our dependencies and optimise usage of the newly implemented ERP.

CORPORATE GOVERNANCE

Statement of Compliance

(Section 75(3) of the Financial Reporting Act 2004)

Name of PIE: Omnicane Limited

Reporting Period: Financial year ended December 31, 2022

We, the Directors of **Omnicane Limited**, confirm that to the best of our knowledge that the Company has complied with all of the obligations and requirements under the Code of Corporate Governance except for those mentioned below:

Statement of Non-Compliance	Areas of Non-Compliance
PRINCIPLE 2 – The Structure of the Board and its Committees	As at December 31, 2022, the Company did not have a female director serving on the Board as the right candidate has not been found yet. **Proposed mitigation measure:** The Board is considering the appointment of a female director and the recruitment process is still ongoing as the Company remains committed in finding the suitable candidate.
PRINCIPLE 3 – Director Appointment Procedures	As at December 31, 2022, the Board did not have a formal succession plan for its members and senior management in place; so as to ensure the appropriate balance of skills and expertise. **Proposed mitigation measure:** The Corporate Governance Committee is responsible for the identification and nomination of suitable candidates to fill board vacancies, should they arise. The Board is considering the aspect of succession planning for both its members and senior management positions.
PRINCIPLE 4 – Director Duties, Senior Executive Remuneration and Performance	As at December 31, 2022, the corporate governance section of the website did not contain the related party transactions policy. **Proposed mitigation measure:** The related party transaction policy is not yet published on the website as no formal policy was available. A first draft of the policy has been drafted and is currently under review.

Harold MAYER
CHAIRPERSON

Jacques M. D'UNIENVILLE
CHIEF EXECUTIVE OFFICER

31 March 2023

Introduction

2-12 | 2-13 | 2-14

Omnicane Limited ('Omnicane" or the "Company") is a Public Interest Entity (PIE) as defined by the Financial Reporting Act 2004 and it is listed on the Stock Exchange of Mauritius ("SEM") and its Sustainability Index. Its vision for sound corporate governance is to provide its shareholders and other stakeholders with the confidence that it is a well-managed and responsible company. The Company is led by a committed and unitary Board, which has the overall responsibility for the leadership, oversight, and long-term success of the organisation.

The Board is responsible for creating and delivering sustainable shareholder value through the management of the Group's business. This report explains Omnicane's governance policies and practices and sets out how the Board manages the business for the benefit of its stakeholders, including its shareholders. During the year under review, the Board has reviewed its main objectives as below:

- To be a major player in Mauritius's energy transition.
- To position our sugar mill, refinery and distillery at the heart of Mauritius's sugar industry.
- To develop new business units related to its existing activities.
- To embed sustainability at the heart of its strategy.
- To develop renewable energy in Mauritius and abroad.
- To achieve financial objectives as set by Strategic Plan 2023-2027.
- To enhance value of land bank.

PRINCIPLE 1
Governance Structure

2-9

The Board provides leadership of the Group and, either directly or through the operation of committees of directors and delegated authority, brings an independent judgment on all issues of strategy, performance, resources (including key appointments) and standards of conduct. The Board also ensures the implementation of an efficient risk and business continuity management system as well as compliance to relevant laws and regulations for the Group. Omnicane's executive team is comprised of Head of Entities and Head of Departments who are responsible for the day-to-day running of the business, with well-defined accountabilities. Their respective profiles can be found on pages 64-68 of this report. The governing structure of Omnicane Limited is as below:

Board Charter

- Defines the Terms of Reference of the Board, Board committees, and Senior Management to ensure that all Directors and Senior Management acting on behalf of the Group are aware of their duties and responsibilities.
- Address the issues and decisions reserved for the Board, Board's governance structure and authority.
- Available on Omnicane's website at **www.omnicane.com**
- Subject to yearly review.

Code of Ethics

Covers ethical behaviour across Omnicane's business operations. Includes areas concerning:

- safe working conditions, environment conservation, respect for human rights and workplace safety arrangements, responsibilities to shareholders, fair and transparent transactions and protection and management of the Group's assets and information.
- Communicated to all employees.
- Reviewed by the Board and Top Management.
- Available on Omnicane's website at **www.omnicane.com**

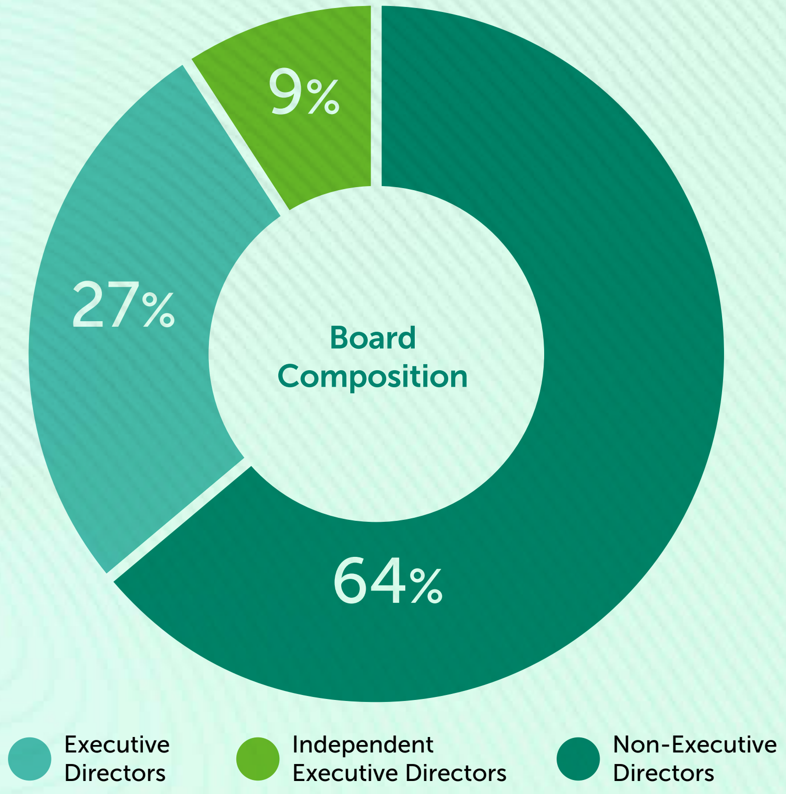
Management Contract

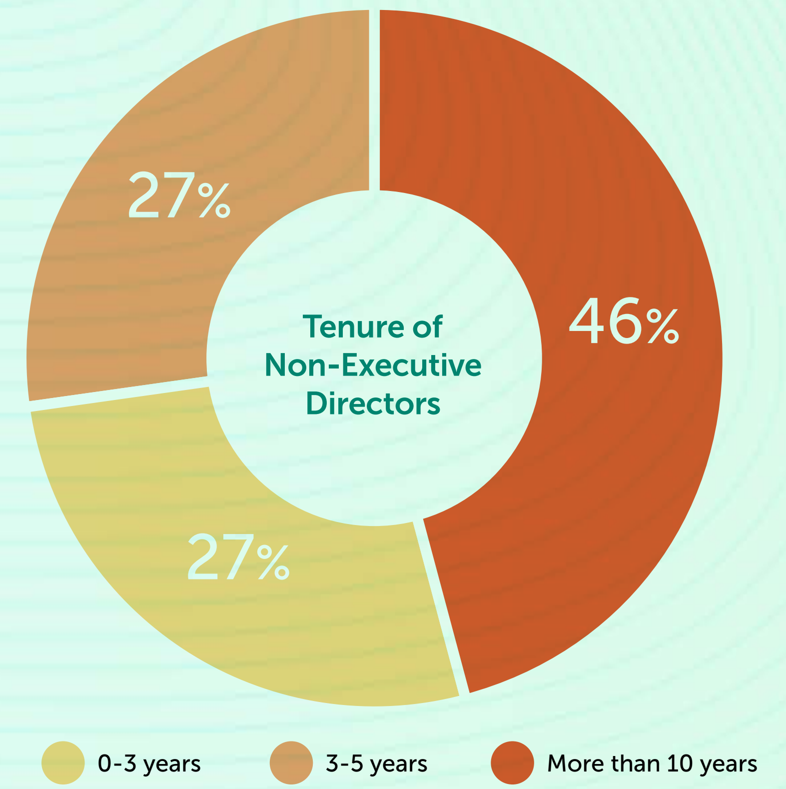
- Management Contract between Omnicane Limited and Omnicane Management & Consultancy Limited ("OMCL").
- Services provided by OMCL are - strategic management, finance & treasury, procurement – supply chain, corporate secretary, legal and compliance services, information & communication technology, industrial project development and management, property project management, development and related marketing and sales, sustainability & risk management, internal audit, human resources, marketing and sales of sugar-related products, internal and external communication, project finance, business development, business intelligence & analytics and hospitality management.
- OMCL employs and remunerates senior executives of the Group.

PRINCIPLE 2
Board Composition & Structure

2-9 | 2-10 | 405-1

- As per Company Constitution, Omnicane's unitary Board of 11 Directors: 8 Non-Executive and 3 Executive Directors.
- Sufficient balance of power and authority within the Board along with diverse range of skills, experience and backgrounds.
- Board believes that as long as Non-Executive Directors remain independent of Management and are of the right calibre and integrity, they can perform the required duty of looking after the Company's interests.
- The Board acknowledges gender imbalance in the Board composition as no female director was recruited in 2022 but this will be remediated in 2023.
- Names and directorship details provided on pages 57-58.
- Quarterly Board meetings held in 2022 with additional meetings held when required.
- Except for Jimmy TONG SAM, all other directors are residents of Mauritius.





KPIs

88% Average Board Attendance

95% Average Committee Attendance

57yrs Average age of Board members

List of Board Skills and Experience Areas:

2-17

Roles and Responsibilities:

Non-Executive Chairman/Chairperson

2-11

- Leading the Board to ensure its effectiveness on all aspects of its role.
- Ensuring Board members engage with the Management in constructive debate for strategic issues.
- Continuous pursuance of high standards of Corporate Governance.
- Is not a senior executive of the organisation.

Chief Executive Officer

- Responsible for overall management and performance of the Group.
- Ensure that the Group's strategies and policies are implemented and help in making business investment decisions.
- CEO and his Management team translate the Board's decisions into executive action.

Company Secretary

- Responsible for good governance practices at Board and entities' levels.
- Ensure good information flows within the Board and its committees as well as between Senior Management & Non-Executive Directors.
- Facilitates induction and assists with professional development of Non-Executive Directors including trainings as required.

Board Meetings

2-12 | 2-14

Omnicane Limited's Board meetings are conducted as per the Company's Constitution and are convened by giving appropriate notice to the Directors. These meetings are held on a quarterly basis with additional sessions held when required. Decisions taken between meetings are confirmed by way of resolutions in writing, agreed and signed by all directors then entitled to receive notice.

Detailed agenda together with other supporting documents are circulated in advance to the directors to enable them to participate meaningfully in the decision-making process and make informed decisions at the meetings. Directors have the right to request independent professional advice at the Company's expense.

Sustainability reporting is one of the main elements of the CEO's reports to the Board of Directors.

Total Number of Meetings during the year = 4

Members	Category	Attendance
Harold MAYER	Non-Executive Chairperson	4/4
Didier MAIGROT	Non-Executive Director	4/4
Nelson MIRTHIL	Executive Director	4/4
Bertrand THEVENAU	Executive Director	4/4
Jacques M. D'UNIENVILLE, GOSK	Executive Director	4/4
Jimmy TONG SAM	Non-Executive Director	4/4
Bertrand BOULLE	Non-Executive, Independent Director	4/4
Pierre M. D'UNIENVILLE	Non-Executive Director	4/4
Dr Dhananjay KAWOL (Resigned on 13 March 2023)	Non-Executive Director	4/4
Harryduth RAMNARAIN	Non-Executive Director	1/4
Gansam BOODRAM	Non-Executive Director	1/4

Main Responsibilities:

2-13

- Charting the direction, strategies and financial objectives of the Company and ensuring appropriate resources are available.
- Reviewing, evaluating and approving the Company's budget and forecasts.
- Reviewing and approving Board and Committee fees.
- Selecting, appointing and approving the terms of reference for the Chief Executive Officer and Chief Finance Officer.
- Evaluating the CEO' s performance against corporate goals and objectives and determining and approving the CEO' s compensation level based on this evaluation.
- Reviewing on a regular and continuing basis the Executive succession planning.
- Reviewing, evaluating and approving compensation strategy relating to Senior Management.
- Determining the Company's dividend policy as well as the amount, nature and timing of dividends to be paid.
- Reviewing and assessing the effectiveness of the Company's policies and practices with respect to risk assessment and risk management.
- Ensuring that appropriate audit arrangement is in place.
- Ensuring that the strategies adopted promote the sustainability of the Group.
- Warranting that management actively cultivates a culture of ethical conduct and sets the values to which the Group will adhere.

Focus Areas in 2022

2-16

- Strategic Planning Meeting with Directors
- Approval of Budget 2022, Statement of Accountabilities and new policies
- Discussion on new renewable energy projects
- Discussion on new value added products
- Discussion about the Group Corporate Structure, Policies & Guidelines
- New ERP implementation
- Includes a special Board Meeting held in June 2022

Board Committees

The Board has established five Sub-Committees which operate under its approved terms of reference. These Sub-Committees meet at least quarterly and may take independent advice at the Company's expense. It should be noted that the Company Secretary acts as secretary to all these Committees.

1. Corporate Governance Committee incl. Nomination Committee & Remuneration Committee

Total Number of Meetings during the year = 1

Members	Category	Attendance
Didier MAIGROT	Non-Executive Chairperson	1/1
Harold MAYER	Non-Executive Director	1/1
In attendance:		
Jacques M. D'UNIENVILLE, GOSK	Executive Director	1/1

Main Responsibilities:

- Advise and make recommendations to the Board on all aspects of corporate governance.
- Advise the Board on key appointments at Board and Top Management level.
- Review the remuneration structure of the Group for Senior Management.

Focus Areas in 2022

- Review of the Corporate Governance Report and Annual Integrated Report for year ended December 31, 2022.
- Review of the remuneration package of Key Executives.
- Recommend the re-election/re-appointment of directors.

2. Investment Committee

Total Number of Meetings during the year = 4

Members	Category	Attendance
Pierre M. D'UNIENVILLE	Non-Executive Chairperson	4/4
Jimmy TONG SAM	Non-Executive Director	4/4
Didier MAIGROT	Non-Executive Director	3/4
Harold MAYER	Non-Executive Director	3/4
Jacques M. D'UNIENVILLE, GOSK	Executive Director	4/4
In attendance:		
Nelson MIRTHIL	Executive Director	4/4
Jérôme JAËN	CEO - Agro-Industry & Energy	4/4

Main Responsibilities:

- Ensure that the Company's investments are in line with the Board's strategy.
- Review the detailed investment plans of the Group to ensure that the projected risk-adjusted returns are within acceptable norms.
- Monitor and review progress on the Group's investment objectives and the strategic plan set out to achieve them.

Focus Areas in 2022

- Review the investment/disinvestment opportunities including new projects in the sugar and energy clusters.

3. Property Development Committee

Total Number of Meetings during the year = 4

Members	Category	Attendance
Harold MAYER	Non-Executive Chairperson	3/4
Bertrand THEVENAU	Executive Director	4/4
Jacques M. D'UNIENVILLE, GOSK	Executive Director	4/4
Nelson MIRTHIL	Executive Director	4/4
In attendance:		
Jérôme JAËN	CEO - Agro-Industry & Energy	3/4
Jean François LOUMEAU	General Manager - Property & Projects	4/4

Main Responsibilities:

- Formulate a long-term strategy of value addition through development or disposal of the Company's land assets and making recommendations to the Board accordingly.
- Oversee procedures relating to all the Company's land development projects for the sake of transparency and in the best interests of the Company.
- Identify, assess and select the best contractors through tenders, and monitor progress in the works involved for timely execution.
- Deal with all land-related matters and make recommendations to the Board accordingly.

Focus Areas in 2022

- Value addition of land development.

4. Audit Committee

Total Number of Meetings during the year = 4

Members	Category	Attendance
Jimmy TONG SAM	Non-Executive Chairperson	4/4
Bertrand THEVENAU	Executive Director	4/4
Bertrand BOULLE	Non-Executive Director	4/4
In attendance:		
Jacques M. D'UNIENVILLE, GOSK	Executive Director	4/4
Nelson MIRTHIL	Executive Director	4/4
Internal Auditors		4/4
External Auditors		1/4
Any other Managers		4/4

Main Responsibilities:

- Consider and review the reliability and accuracy of financial information and appropriateness of accounting policies and disclosure practices.
- Examine and review the quarterly financial results, annual financial statements or any other documentation to be published in compliance with the Company's accounting standards.
- Review compliance with applicable laws and best corporate governance practices and regulatory requirements.
- Review the adequacy of accounting records and internal control systems.
- Monitor and supervise the functioning and performance of internal audit.
- Direct interaction with the external auditors at least once a year without the presence of Senior Management to discuss any issues, accounting principles, etc.
- Direct interaction with the Internal Audit Manager at least once a year, without management being present, to discuss their remit and any issues arising from the internal audits carried out.
- Consider the independence of the external auditors and making recommendations to the Board on their appointment or dismissal.

Focus Areas in 2022

- Review of the consolidated and abridged audited financial statements for approval by the Board and eventual publication.
- Review and recommendation to the Board of the unaudited quarterly consolidated results of the Company for publication.
- Review of internal audit plans and reports for the year.

5. Risk Committee

Total Number of Meetings during the year = 2

Members	Category	Attendance
Bertrand THEVENAU	Executive Director/Chairperson	2/2
Harold MAYER	Non-Executive Director	2/2
Didier MAIGROT	Non-Executive Director	2/2
Pierre M. D'UNIENVILLE	Non-Executive Director	2/2
In attendance:		
Jacques M. D'UNIENVILLE, GOSK	Executive Director	2/2
Nelson MIRTHIL	Executive Director	2/2
Jérôme JAËN	CEO - Agro-Industry & Energy	2/2
Rajiv RAMLUGON	Group Chief Sustainability Officer	2/2
Any other Managers		

Main Responsibilities:

- Review the effectiveness of the Group risk management process and approve strategies to address potential risks throughout the whole organisation.
- Evaluate the risks associated with all new projects on an ongoing basis, assessing the probability and impact of foreseeable events on the Company's situation.

Focus Areas in 2022

- Review the effectiveness of the risk management and Business Continuity Management.
- Focus on AML/CFT Risk Management.

Share Dealings by Directors

2-15

Share dealings by the directors are conducted as per the principles of the Model Code for Securities Transactions by Directors of Listed Companies, as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules.

Following appointment to the Board, Directors have the duty to inform the Company Secretary of the number of shares held directly or indirectly in the Company. This declaration is then captured into a Directors' Interest Register, which is maintained by the Company Secretary and updated with any subsequent transactions made by the Directors.

PRINCIPLE 3
Directors' Appointment Procedures

Under the aegis of the Corporate Governance Committee, new directors are appointed following formal approval by the Board. During this process, shareholders are also consulted at the following Annual General Meeting. Non-Executive Directors are chosen on the basis of their business experience and ability to provide adequate knowledge, skills, objectivity, integrity, experience and commitment to the Board.

At the next Annual Meeting for Shareholders scheduled for the 25th May 2023, the following Directors will stand for re-election as per the Company's constitution:

- Mr Didier MAIGROT
- Mr Bertrand THEVENAU
- Mr Pierre M. D'UNIENVILLE
- Mr Bertrand BOULLE

DIRECTORS' PROFILES

Brief profiles of all the Directors are available below:

Harold MAYER

NON-EXECUTIVE CHAIRPERSON

Committee Memberships:
- Corporate Governance
- Property Development
- Risk
- Investment

Qualifications:
- BCom (University of the Witswatersrand)
- Member of the South African Institute of Chartered Accountants

Date of Appointment:
- 26/06/2019

Meeting Attendance:
- Board: 4/4

Committees:
- Corporate Governance: 1/1
- Property Development: 3/4
- Risk: 2/2
- Investment: 3/4

Directorships in other listed entities:
- CIEL

Jacques M. D'UNIENVILLE, GOSK

EXECUTIVE DIRECTOR – CHIEF EXECUTIVE OFFICER

Committee Memberships:
- Property Development
- Investment

Qualifications:
- BCom (University of Cape Town)

Date of Appointment:
- 06/04/2001

Meeting Attendance:
- Board: 4/4

Committees:
- Property Development: 4/4
- Investment: 4/4

Directorships in other listed entities:
- The Southern Cross Tourist Company Limited
- The United Sugar Estates Company Limited

Nelson MIRTHIL

EXECUTIVE DIRECTOR – CHIEF FINANCE OFFICER

Committee Memberships:
- Property Development

Qualifications:
- FCCA

Date of Appointment:
- 27/10/2008

Meeting Attendance:
- Board: 4/4

Committees:
- Property Development: 4/4

Bertrand THEVENAU

EXECUTIVE DIRECTOR – CEO PROPERTIES, RETAIL & BRANDS

Committee Memberships:
- Audit
- Property Development
- Risk

Qualifications:
- University diploma in Technology – International Marketing from Aix en Provence

Date of Appointment:
- 28/05/2008

Meeting Attendance:
- Board: 4/4

Committees:
- Audit: 4/4
- Property Development: 4/4
- Risk: 2/2

Didier MAIGROT

NON-EXECUTIVE DIRECTOR

Committee Memberships:
- Corporate Governance
- Risk
- Investment

Qualifications:
- Maîtrise en Droit from Université d'Aix-Marseille III (France)

Date of Appointment:
- 21/06/2012

Meeting Attendance:
- Board: 4/4

Committees:
- Corporate Governance: 1/1
- Risk: 2/2
- Property Development: 3/4

DIRECTORS' PROFILES

Brief profiles of all the Directors are available below:

Pierre M. D'UNIENVILLE
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- Risk
- Investment

Qualifications:
- Licence en Sciences Économiques from the Université d'Aix-Marseille III (France)

Date of Appointment:
- 19/05/2010

Meeting Attendance:
- Board: 4/4

Committees:
- Risk: 2/2
- Investment:4/4

Jimmy TONG SAM
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- Audit
- Investment

Qualifications:
- BSc Mathematics (University of Bristol, UK)
- FCA of the Institute of Chartered Accountants in England and Wales (ICAEW)

Date of Appointment:
- 26/06/2018

Meeting Attendance:
- Board: 4/4

Committees:
- Audit:4/4
- Investment:4/4

Bertrand BOULLE
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- Audit

Qualifications:
- B.A.(Hons) - University of Ulster MBA (EU Business School)

Date of Appointment:
- 18/02/2020

Meeting Attendance:
- Board: 4/4

Committees:
- Audit:4/4

Dr Dhananjay KAWOL
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- N/A

Qualifications:
- B.Sc (Hons) Crop Science & Production (University of Mauritius)
- Doctor in Business Administration (Open University of Mauritius)

Date of Appointment:
- 22/10/2021

Resigned on:
- 13/03/2023

Meeting Attendance:
- Board: 4/4

Committees:
- N/A

Directorships in other listed entities:
- Ascencia Limited

Gansam BOODRAM
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- N/A

Qualifications:
- Graduate in Agriculture, Soilless culture, Protected Cropping and Agriculture Management (Israel)

Date of Appointment:
- 30/09/2022

Meeting Attendance:
- Board: 1/4

Committees:
- N/A

Directorships in other listed entities:
- SIT Land Holdings Ltd

Harryduth RAMNARAIN
NON-EXECUTIVE DIRECTOR

Committee Memberships:
- N/A

Qualifications:
- Diploma in Legal Studies
- MBA (University of Northampton- Final Sem)

Date of Appointment:
- 01/05/2022

Meeting Attendance:
- Board: 1/4

Committees:
- N/A

Directorships in other listed entities:
- SIT Land Holdings Ltd

Board Induction
2-17

- The Board is responsible for the induction of new Directors in the Company.
- The induction and orientation process includes an induction pack containing Omnicane's governance processes, roles and responsibilities of directors, company policies, code of business conduct and an overview of business operations.
- Directors also receive the Board Charter, Code of Ethics, Company's Constitution and Salient Features of the Listing Rules and Securities Act.
- Directors are kept informed of new developments falling outside the scope of scheduled Board meetings and they are encouraged to keep themselves up to date with the latest workplace trends and professional practices.
- They also have the opportunity to visit the business units and interact with their executives. Directors are aware of their legal duties.

Board, Individual Directors & Committees' Evaluation
2-18

The Board has appointed the Mauritius Institute of Directors to conduct a Board & Director's review. The assessment will consist of interviews with Board Members and selected senior executives, following which, they will submit their respective summary, their findings and recommendations to the Board.

Succession Planning

In order to ensure continued balance of knowledge, skills and experience, the Board has considered the aspect of succession planning for both the Board and senior management positions as and when required. Currently, there is no formal succession plan in place.

PRINCIPLE 4
Legal Compliance
2-27

Omnicane's legal department oversees legal and regulatory requirements of the Company and ensure compliance to laws and regulations pertaining to the organisation and its activities. Legal advice is also sought externally from legal advisors should the need arise from time to time. In 2022, no significant fines or non-monetary sanctions have been imposed for non-compliance with laws and regulations, including those pertaining to provision and use of products and services, environmental laws, anti-money laundering laws and regulations. There have also been no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.

Code of Business Conduct & Ethics
3-3 | 205-1 | 205-2 | 205-3 | 206-1

Omnicane's Employee Handbook and Code of Ethics provide guiding principles to its Directors, Management and employees to obey the law, respect others, be fair and honest and protect the environment. Omnicane employees include a diverse population of individuals with differing roles and functions, as well as ethnic and cultural backgrounds. As such, the Company values behaviour which respects the dignity and privacy of individuals, and which promotes fair dealing and representation both in action and perception. Omnicane condemns competitive behaviour or corruption practices and takes remedial action to address any such behaviours should they arise.

Interest Register, Conflicts of Interest and Related Party Transactions Policy
2-15

As per the Companies Act 2001, directors have a statutory duty to avoid a situation where they have, or could have, a direct or indirect interest that conflicts, or possibly could conflict, with the Company's interests. The Company Secretary maintains an Interest Register, which is updated with every transaction entered into by Directors or their closely related parties and is available to shareholders upon written request being made to the Company Secretary. The related party transaction policy is not yet published on the website since at present, it is formally being drafted.

Director's Interests

	No of Shares held as at December 31, 2022	
Directors	Direct	Indirect
Jacques M. D'UNIENVILLE, GOSK	67,000	-

None of the other directors have any direct/indirect interests in the Company's shares.

Directors' Remuneration and Performance Remuneration Policy
2-19 | 2-20

The Corporate Governance Committee (which includes the Remuneration Committee) is responsible to determine the adequate remuneration to be paid to the Non-Executive Chairperson of the Board, Non-Executive Directors, Executive Directors and Senior Management. The Corporate Governance Committee is guided by the following principles:

- Remuneration should reflect performance, complexity and responsibility with a view to attracting, motivating and retaining high performance individuals and promoting the enhancement of the value of the Company to its shareholders.
- Remuneration practices are benchmarked against external market data through the use of remuneration surveys to ensure staff are fairly remunerated.
- The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

It should be noted that non-executive directors receive fees but do not receive any performance-related remuneration. Directors are paid an annual fee for serving as members of the Board and Board Committees. They are also paid a meeting attendance allowance for each meeting they attended. Fees of Directors are subject to shareholders' approval at AGM. In 2022, the directors' remuneration were as follows:

Directors	Board Meeting Rs	Audit Committee Rs	Corporate Governance, Nomination & Remuneration Fees Rs	Risk Committee Fees Rs	Property Development Committee Fees Rs	Investment Committee Fees Rs	Total Rs
Didier MAIGROT	174,000		126,250	74,375		97,500	472,125
Jacques M. D'UNIENVILLE, GOSK	174,000				105,000	105,000	384,000
Nelson MIRTHIL	174,000				105,000		279,000
Pierre M. D'UNIENVILLE	174,000			74,375		180,000	428,375
Harold MAYER	330,000		66,875	74,375	97,500	90,000	661,750
Bertrand THEVENAU	174,000	105,000		133,750	180,000		592,750
Jimmy TONG SAM	174,000	173,750				105,000	452,750
Bertrand BOULLE	174,000	105,000					279,000
Harryduth RAMNARAIN	91,500						91,500
Gansam BOODRAM	31,500						31,500
Dhananjay KAWOL	174,000						174,000
	1,848,000	**383,750**	**193,125**	**356,875**	**487,500**	**577,500**	**3,846,750**

Subsidiaries

Company Director	OMH(BH) Rs	OTEOLB Rs	OTEOSA Rs	OMOL Rs
Jacques M. D'UNIENVILLE, GOSK	8,000	50,000	50,000	50,000
Nelson MIRTHIL	8,000	50,000	50,000	50,000
Eddie AH-CHAM	8,000			
S MUNIAH	5,100			
Jean François LOUMEAU		50,000	50,000	
Pascal LANGERON		50,000	50,000	
Louis DECROP		50,000	50,000	
Jérôme JAËN		50,000	50,000	50,000
Vageesh RAMDUNY		37,500		
Madoobalah JEETAH			37,500	
Lindsay HOPE				50,000
Rahanparsad MAHABIRSINGH	5,100			
Gessavah CHENGAN	1,700			
Anand SONOO		12,500	12,500	
Peter HOUGH				50,000
Rajiv RAMLUGON				50,000

PRINCIPLE 4 (cont'd)

Directors' Service Contracts

None of the Directors of the Company and of its subsidiaries have service contracts with the Company.

Contract of Significance

The Company has a management contract with Omnicane Management & Consultancy Limited, a wholly owned subsidiary of the controlling shareholder, Omnicane Holdings Limited.

Directors' and Officers' Liability Insurance

Each Director is covered by appropriate Directors' and Officers' liability ("D&O") insurance, at the Company's expense. The D&O insurance covers the Directors and Officers against the costs of defending themselves in legal proceedings taken against them in that capacity and in respect of any damages resulting from those proceedings.

Share Option Plans

The Company has no share option plan.

Information Technology

The Board acknowledges the importance of information systems and technologies to execute the Group's operational and strategic goals. IT related risks have been a major concern for Board of Directors, for examples risks associated with IT related fraud and error, competitive issues relating to IT applications that the Company needs to stay ahead in the marketplace and IT disaster recovery and business continuity.

As such, Omnicane ensures that it invests not only on appropriate information technologies, but also implement the right IT Governance framework, capabilities and leadership. In line with its Digital Transformation strategy, the Group has built a strong, flexible ecosystem, by engaging employees from different business units and IT partners to work together, thereby creating a culture of innovation.

By adopting a business first-outcomes driven approach, the committees composing of IT and other functions in place, meet periodically to make the appropriate decision. The IT investment Project Steering Committee, composed of senior executive members, chaired by the CEO, the main sponsor, meets quarterly for major investment decisions, This Committee communicates on any investment initiatives to the Board through the CFO and CEO and gives direction to the Project Management Office.

Chaired by the Chief Finance Officer as facilitator, this Project Management Office meets on a monthly basis to look into IT investments & drive related projects as per business case and provide all required resources for successful implementation.

To maintain business continuity, with the growing security risks, accelerated by the digitalisation of businesses, increasing automation of processes and growing number of connected devices, more security efforts, compliance and management are required to prevent disruption of ICT services. As such, Omnicane ensures that appropriate framework, information technology and information security governance is in place to maintain confidentiality, integrity and availability of business-critical applications and secure access to information assets.

The IT Department is responsible for establishing and maintaining the information security program to ensure that information assets and associated technology, applications, systems, infrastructure, and processes are adequately protected in the digital ecosystem in which Omnicane operates. It is also accountable for identifying, evaluating, and reporting on legal and regulatory, IT, and cybersecurity risk to information assets, while supporting and advancing business objectives.

The security systems such as virus scanners, firewall systems, access management, redundant systems and regular data backups are maintained and monitored at regular intervals with clear mixed responsibilities of in-house team and reliable partners though service level agreements.

Based on business needs for the financial year and collaboration with all stakeholders, a budget of all significant information technology expenditure is hence allocated annually, after approval by the Board.

During the year under review, Top Management took a major decision to transition from its outdated legacy platform to a cutting-edge, cloud-based ERP system. This strategic move will not only boost operational efficiency but also enhance data accuracy and security, thereby supporting Omnicane's ever-evolving needs.

The IT Security Policy is currently in place to address the latest challenges and trends in the Information Technology world. A Data Protection Policy has also been implemented and compliance to laws and regulations relating to data protection are being assessed to identify any gaps and gearing our capabilities to adhere to relevant stipulations with necessary steps undertaken to fill gaps identified.

PRINCIPLE 5
RISK GOVERNANCE AND INTERNAL CONTROL

Risk Governance

The Board ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets and determines the nature and extent of the significant risks which Board is willing to take in achieving its strategic objectives.

Through its established Enterprise Risk Management framework and its Risk Committee, the Board is responsible for the following:

- ensuring that structures and processes are in place to effectively manage risks.
- identifying the principal risks and uncertainties that could potentially affect the Company and Group.
- ensuring that Management has developed and implemented the relevant framework.
- ensuring that systems and processes are in place for implementing, maintaining and monitoring internal controls.
- identifying any deficiencies in the internal control system; and
- ensuring that whistle-blowing rules and procedures are in place.

Internal Control

Based on the framework of risk management and internal controls established and maintained by the Group, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit, the Board is of the opinion that the Group's internal controls, including financial, operational and compliance controls, and risk management systems, are adequate to meet the needs of the Group in its current business environment. The effectiveness of the internal financial control systems and procedures are monitored by the Management. The details are set out in the integrated report on pages 35 to 38.

Whistleblowing

Omnicane nurtures and encourages a working culture of integrity and good governance. Employees are encouraged to speak up and raise any suspicions of wrongdoing, malpractice or impropriety in the management of the Group's business and to promptly report them to Management. This is included in the Code of Ethics.

PRINCIPLE 6
REPORTING WITH INTEGRITY

Omnicane's Integrated Report 2022 has been prepared in accordance with the International Integrated Reporting Council (IIRC)'s guidelines and the GRI standards.
The Directors ensure that the Annual financial statements are prepared as per the International Financial Reporting Standards, the Financial Reporting Act 2004 and in compliance with the Mauritius Companies Act 2001.
They consider that appropriate accounting policies are consistently applied and supported by reasonable and prudent judgements and estimates in preparing the financial statements. The full integrated report is published on the company's website at **www.omnicane.com**.

Political Contributions

3-3 | 415-1

No political donations were made in 2022.

PRINCIPLE 7
Audit

Internal Audit

Omnicane's Internal Audit department has a Group-wide mandate with a fully qualified accountant as the Internal Audit Manager. The latter reports directly to the Chairman of the Audit Committee and reports administratively to the CEO. As per its charter, this Department provides independent and objective assurance to the Board and the Audit Committee on the effectiveness and suitability of the internal control process within the Group. Consulting activity designed to add value to the organisation's operations are also provided as and when required. At each meeting of the Audit Committee, he reports on the programme of review and findings and all internal audit issues within the Group, highlighting any deficiencies and recommending corrective measures.

During the year under review, the main focus of internal audit areas was on compliance review for Anti-Money Laundering and Combating the financing of Terrorism (AML/CFT) as per the relevant regulations. Other reviews included stores & inventory management, IT assets management, energy operations and health & safety. It should be noted that the Internal Audit team has unrestricted access to key personnel, documents and records. The Internal Audit Plan is prepared following discussions with Management under the supervision of the Audit Committee, so as to maintain independence and objectivity and also avoid being directly involved in the day-to-day operations of the Company. It is worthwhile noting that the Internal Audit Manager is entitled to convene a special meeting of the Audit Committee in order to deal with any matter he deems urgent.

However, its scope of work does not cover Omnicane's associates such as MAREF Mon Tresor Investment 1 Ltd, Copesud (Mauritius) Ltée, Coal Terminal (Management) Co. Ltd, and Kwale International Sugar Co. Ltd.

External Audit

RSM Mauritius ('RSM') currently serves as the external auditor for the Company since 2022. They are granted unrestricted access to all information that may be required in the execution of their duties and have direct access to the Audit Committee should they wish to discuss any matters privately. The Audit Committee manages the relationship with the External Auditor on behalf of the Board. It considers the reappointment of the External Auditor each year, as well as remuneration and other terms of engagement and makes a recommendation to the Board. It should be noted that non-audit services have not been provided by RSM in 2022.

PRINCIPLE 8
Relations with Shareholders and Other Key Stakeholders
2-16

Omnicane recognises that the contributions of its different stakeholders constitute a valuable resource for building a competitive and profitable Company as it enables strategic partnerships and helps to foster trust, confidence and buy-in of its key initiatives. Effective stakeholder engagement helps to mitigate potential risks and conflicts, improve access to capital and insurance, enable cost savings and have better preparedness to meet customer exigencies.

As such, the Company fosters a good communication approach with its shareholders and other stakeholders to facilitate mutual understanding of each other's objectives and expectations. In its interactions with its stakeholders including shareholders, the different communication platforms used to reach out to shareholders and stakeholders are as follows but not limited to:

- Company's website and social media maintained by the Company.
- Corporate events and CSR programmes.
- Direct engagement via face-to-face meetings and conference calls
- Annual General Meeting

Shareholders' Agreements

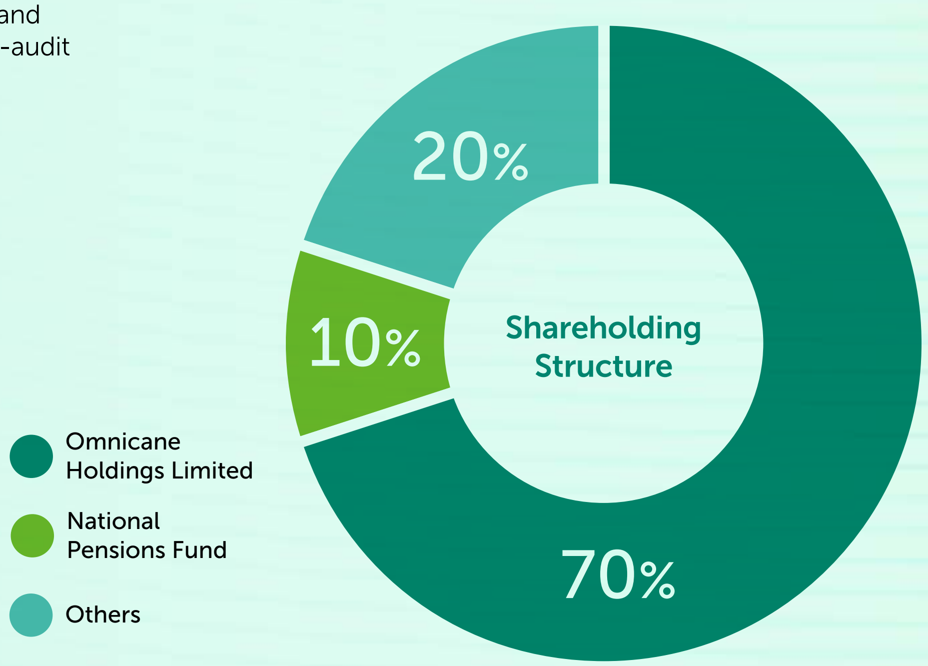
The Company is not aware of any shareholders' agreement.

Shareholders' Diary

Financial year-end – December
Annual Meeting – June

Shareholding Structure

The holding structure of the Company as at 31 December 2022 is as follows:



Substantial Shareholders

As at December 31, 2022, the following shareholders owned more than 5% of the issued share capital:

	Number of Shares Held	% Holding
Omnicane Holdings Limited	47,074,792	70.25
National Pensions Fund	6,956,723	10.38

Shareholders holding more than 5%

	Shareholding
Omnicane Holdings Limited	70.25%
National Pensions Fund	10.38%

Shareholders' Analysis at December 31, 2022

	Shareholder count	Ordinary Shares	Percentage
1 - 500	1,002	166,883	0.249
501 - 1,000	238	194,141	0.29
1,001 - 5,000	524	1,245,264	1.858
5,001 - 10,000	155	1,102,767	1.646
10,001 - 50,000	176	3,974,631	5.931
50,001 - 100,000	25	1,818,412	2.714
100,001 - 250,000	15	2,181,223	3.255
250,001 - 500,000	5	1,503,142	2.243
Over 500,000	3	54,825,941	81.815
Total	**2,143**	**67,012,404**	

Summary by Shareholder Category

	Count	Shares	Percentage
Individuals	1,939	7,009,273	10.46
Insurance & Assurance Companies	5	401,608	0.599
Pension & Provident Funds	41	1,715,379	2.56
Investment & Trust Companies	12	123,128	0.184
Other Corporate Bodies	146	57,763,016	86.197
Total	**2,143**	**67,012,404**	

STATUTORY DISCLOSURES

YEAR ENDED DECEMBER 31, 2022 (PURSUANT TO SECTION 221 OF THE COMPANIES ACT 2001)

The Directors are pleased to present the Annual Report of Omnicane Limited ("the Company") and its subsidiaries (collectively referred to as 'the Group') together with the audited financial statements for the year ended December 31, 2022.

Nature of Business

The principal activities of the Group are raw and refined sugar production, electricity and ethanol production, hospitality, property development and logistics while the Company is engaged in sugar cane, other food crops cultivation and investment activities.

Directors

The persons who held office as Directors of the Company as at December 31, 2022 are:

- Harold MAYER (Chairperson)
- Jacques M. D'UNIENVILLE (Chief Executive Officer), GOSK
- Nelson MIRTHIL
- DIdier MAIGROT
- Bertrand THEVENAU
- Pierre MARRIER D'UNIENVILLE
- Preetam BOODHUN (Resigned in January 2022)
- Jimmy TONG SAM
- Bertrand BOULLE
- Dhanandjay KAWOL
- Dineshrao BABAJEE (Resigned in March 2022)
- Hurryduth RAMNARAIN (Appointed in May 2022)
- Gansam BOODRAM (Appointed in September 2022)

The Directors of the subsidiaries are disclosed in the Corporate Governance Report.

Auditor's Report and Accounts

The auditor's report is set out on pages 72 to 73 and the statements of profit or loss and other comprehensive income are set out on page 74.

Contracts of Significance

During the year under review, there were no contracts of significance to which Omnicane Limited, or any of its subsidiaries, was a party and in which a director of Omnicane Limited was materially interested, either directly or indirectly.

The Company has a management contract with Omnicane Management and Consultancy Limited, a wholly-owned subsidiary of the controlling shareholder, Omnicane Holdings Limited.

Service Contracts

None of the directors of the Company have service contracts with the Company or with any of its subsidiaries.

Remuneration and Benefits

Remuneration and benefits received from the Company and its subsidiaries were:

	COMPANY		SUBSIDIARIES	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Directors of Omnicane Limited				
Executive Directors (Full-time) 2022: 2 (2021: 2)	**1,256**	656	**316**	316
Non-Executive Directors 2022: 9 (2021: 9)	**2,591**	3,465	**-**	-

	2022 Rs'000	2021 Rs'000
Directors of Subsidiaries		
Executive Directors (Full-time) 2022: 8 (2021: 7)	**674**	674
Non-Executive Directors 2022: 9 (2021: 13)	**362**	412

List of Directors & Interests (Direct and Indirect) as at December 31, 2022

	No. of shares			
	Direct	Indirect	Total	%
Jacques M. D'UNIENVILLE, GOSK	67,000	-	67,000	0.099

The Group's CSR contribution to Omnicane Foundation amounted to Rs'000 3,291 during the year (2021: Rs'000 4,581). During the year, the Group and the Company did not make any political donations (2021:nil).

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Fees payable to auditors:				
Audit fees	**4,300**	7,000	**910**	1,700
Other services	**54**	63	**-**	-

Major Shareholders of the Company

Shareholder holding more than 5% of the issued share capital are:

	Number of shares held	% Holding
December 31, 2022		
Omnicane Holdings Limited	**47,074,792**	**70.2479**
National Pensions Fund	**6,956,723**	**10.38**
December 31, 2021		
Omnicane Holdings Limited	47,074,792	70.2479
National Pensions Fund	6,784,944	10.1249

Approved by the Board of Directors on 31 March 2023 and signed on its behalf by:

Harold MAYER
CHAIRPERSON

Jacques M. D'UNIENVILLE
CHIEF EXECUTIVE OFFICER

KEY EXECUTIVES' PROFILES

(AS AT DECEMBER 31, 2022)

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Jacques M. D'UNIENVILLE, GOSK
CHIEF EXECUTIVE OFFICER

Qualifications:
- Bachelor's degree in Commerce from University of Cape Town

Career Pathway:
- Prior to joining Société Usinière du Sud (SUDS) as Chief Executive Officer in 2005, he was the Managing Director of Société de Traitement et d'Assainissement des Mascareignes.
- He has held office as Chief Executive Officer of MTMD (now Omnicane Limited) from 1 April 2007.
- He was the President of the Mauritius Sugar Syndicate in 2012 and 2022.
- He is the Chairperson of Omnicane Thermal Energy Operations (La Baraque) Limited and Omnicane Thermal Energy Operations (St Aubin) Limited, Omnicane Milling Operations Limited and is a director of Real Good Food Company plc, Southern Cross Tourist Co Ltd and The Union Sugar Estates Co. Ltd.
- He is a board member of several sugar sector institutions in Mauritius and was the President of the Mauritius Sugar Producers Association in 2005, 2006, 2009, 2010 and was re-elected President in 2015.

Nelson MIRTHIL
CHIEF FINANCE OFFICER

Qualifications:
- Fellow Member of the Association of Chartered Certified Accountants (FCCA)

Career Pathway:
- He started his career in the Audit Department of De Chazal du Mée before joining Ernst & Young, where he was promoted to Audit Manager.
- He gained broad financial experience through his involvement in mergers, acquisitions and special assignments in Africa.
- He has also acted as Fund Manager of the Mauritius Development Investment Trust (MDIT), a listed investment company.
- He joined Omnicane in 2003 as Chief Finance Officer.
- He is a board member of various companies, the main ones being Omnicane Milling Operations Limited, Omnicane Thermal Energy Operations (La Baraque) Limited, Omnicane Bio-Ethanol Operations Limited, Airport Hotel Ltd, and the Sugar Insurance Pension Fund.

Eddie AH-CHAM
COMPANY SECRETARY

Qualifications:
- Fellow Member of the Association of Chartered Certified Accountants (FCCA)

Career Pathway:
- He has over 26 years of experience in external and internal auditing and in corporate management.
- He started his career in the Audit Department of Kemp Chatteris Deloitte and was assistant accountant at Express Trading Company Ltd in 1995.
- He joined Mon Trésor & Mon Désert Ltd (now Omnicane) in 1996 as assistant accountant and served as Internal Audit Manager for 7 years before being promoted to the position of Company Secretary.

Jérôme JAËN
CEO – AGRO-INDUSTRY & ENERGY

Qualifications:
- Engineer Diploma from École des Mines de Nancy
- Engineer Diploma from École Polytechnique

Career Pathway:
- He has over 20 years of experience in electricity production from cogeneration plants.
- He has managed several thermal power plants in Mauritius, Reunion Island, Guadeloupe and France and is currently the Chief Executive Officer of the Agro-Industry & Energy SBU.
- He is the President of the Mauritius Chamber of Agriculture since July 2022.
- He is a board member of various companies within the Group, the main ones being Omnicane Milling Operations Limited, Omnicane Thermal Energy Operations (La Baraque) Limited, Omnicane Ethanol Holding Limited, Omnicane Logistic Operations Limited and Airport Hotel Ltd.

Bertrand THEVENAU
CEO – PROPERTIES, RETAIL & BRANDS

Qualifications:
- University diploma in Technology – International Marketing from Aix en Provence (France)

Career Pathway:
- He is a Board Member of Ciel Textile where he has spent the majority of his career in different leadership positions, the most recent of which was as Tropic Knits' Group CEO.
- Since 2008, Bertrand has been one of the Non-Executive Independent directors of Omnicane.
- In July 2022, he has been appointed as an Executive Director of Omnicane and holds the title of Chief Executive Officer – Properties, Retail and Brands.
- He has wide experience in offshore production and exposure to international markets.

KEY EXECUTIVES' PROFILES

(AS AT DECEMBER 31, 2022)

Rajiv RAMLUGON

GROUP CHIEF SUSTAINABILITY OFFICER

Qualifications:
- B(Tech) Hons in Civil Engineering from University of Mauritius
- MSc in Environmental Engineering with distinction from Newcastle University (UK)
- MBA in Global Sustainable Management from Anaheim University (California)

Career Pathway:
- He has 25 years of experience in the field of sustainability, including waste management, industrial-effluent treatment, biogas valorisation, and the implementation of quality management, environmental management and other management systems in the industry.
- He is also a member of the Global Association of Corporate Sustainability Officers (GACSO) and an Affiliate Member of the Institute of Environmental Management & Assessment (UK).

Oudesh SEEBARUTH

HEAD OF CORPORATE FINANCE & TREASURY

Qualifications:
- Fellow of the Chartered Institute of Management Accountants (CIMA)
- Chartered Global Management Accountant (CGMA)

Career Pathway:
- He joined the company as Accountant in 1989 after spending 5 years in audit with Deloitte and he occupied various positions in the finance department before assenting to his present position.
- He has been responsible of the Corporate Finance & Treasury function for the group from the past 25 years and successfully handled several sizeable project financings including cross border, project appraisals, business valuations, takeovers, mergers & acquisitions, funding, financial risk management and payment digitalization across the group.

Jean-François LOUMEAU

GENERAL MANAGER – PROPERTY & PROJECTS

Qualifications:
- MBA in Construction and Real Estate from Reading University (UK)
- Bachelor's degree in Mechanical Engineering from the University of Cape Town (South Africa).
- Postgraduate certificate in The Mechanics of Project Finance from Middlesex University
- Certificate in Property Development and Investment from UCT

Career Pathway:
- He is a registered engineer with the Engineering Council of South Africa
- He is an Associate Member of the South African Institute of Mechanical Engineering.
- He has 27 years of working experience in project development and project management.

Josie LAPIERRE

HEAD OF HUMAN RESOURCES

Qualifications:
- Diplôme d'Études Approfondies (DEA) in Management Science – Strategy & Management from IAE Lyon School of Management
- Master's in Business Administration (MBA) from IAE Lyon School of Management, France
- Diplôme Universitaire de Technologie (DUT) in Information Technology from IUT Lyon, France

Career Pathway:
- She has 30 years of experience with leading private, public and volunteer organisations based in Mauritius, Africa and Europe cutting across industries in Strategy and Operations, Human Capital Management, Organisation Development, Leadership and Talent, Learning and Development and Business Process Management.
- She is a Fellow of The Chartered Management Institute (F.C.M.I.)

Peter L.M HOUGH

SUGAR DEVELOPMENT EXECUTIVE

Career Pathway:
- He joined Omnicane in 2015.
- He has spent most of his career in the sugar industry, mainly in trading, sales, marketing and in management roles at Board level.
- He has a broad experience in the branding, marketing and design of retail and foodservice products.
- He has developed business activities in sourcing sugar from around the world for sale in the EU and in preferential access markets.

KEY EXECUTIVES' PROFILES

(AS AT DECEMBER 31, 2022)

Christophe TOULET

HEAD OF LEGAL, RISK & COMPLIANCE

Qualifications:
- Master's degree in Business, Corporate, Contractual and Commercial Law

Career Pathway:
- He joined Omnicane as Group Legal Counsel in May 2019.
- He has been appointed Head of Legal & Compliance in January 2021 and heads the risk department as well since January 2023.
- He has 15 years' experience in the legal field.
- After having started his career in Reunion Island as an associate of one of the two insolvency practitioners, he worked in BLC Robert & Associates Law firm before joining PLCJ Law firm where he was a partner.

Christophe BARBES POUGNET

HEAD OF BUSINESS DEVELOPMENT

Qualifications:
- BCom in Financial Management from the University of South Africa
- LLM (Master of Laws) from Université Panthéon-Assas (Paris II)
- Professional qualification in treasury from the Chartered Association of Corporate Treasurers (UK)

Career Pathway:
- He is Head of Business Development at Omnicane since January 2021 after having headed the legal, compliance and project finance functions for three years.
- Before joining the Group, he worked as Product Leader within the Project Finance department at MCB, where he has spent twelve years in the corporate banking and project financing sectors.

Kevin PADIACHY

HEAD OF AFRICA DESK

Qualifications:
- B.Eng (Hons) degree in Chemical & Environmental Engineering
- Postgraduate diploma in International Business Management
- Master's degree in Business Administration from the University of Mauritius
- Postgraduate certificate in The Mechanics of Project Finance from Middlesex University

Career Pathway:
- He has more than 20 years of work experience in regional trade, international business and project management in energy and industrial sectors.
- He is a certified Project Management Professional from the prestigious Project Management Institute (PMI), USA.

Rudley LUTCHMANEN

GROUP FINANCE MANAGER

Qualifications:
- Fellow member of the Association of Chartered Certified Accountants (ACCA)
- MSc degree in Finance

Career Pathway:
- He started his career in the Assurance Department of Ernst & Young before joining the company in 2004.
- He has more than 25 years of experience in auditing, financial reporting, project financing and treasury management.

Maurice REGNARD

CHIEF PROCUREMENT OFFICER

Qualifications:
- Qualified from the Chartered Institute of Procurement & Supply (C.I.P.S)

Career Pathway:
- He has been leading & managing purchasing, client & supplier relationships for more than 30 years.
- His experience cuts across key industries, namely energy, chemicals and properties.
- At Omnicane, he heads the Procurement team while also playing a key role in the digital transformation and cost optimisation projects.

Avinash DOOKHUN

GROUP IT MANAGER

Qualifications:
- MBA from the University of Mauritius
- Honours degree in Information Technology from the British Computer Society (BCS) (UK)
- Brevet de Technicien en Electrotechnique from Lycée Polytechnique Sir Guy Forget (Mauritius)

Career Pathway:
- He has also achieved several professional certifications from Microsoft, HP and The City & Guilds of London Institute.
- He has over 30 years of work experience in IT.

KEY EXECUTIVES' PROFILES

(AS AT DECEMBER 31, 2022)

Navin MOHUN

INTERNAL AUDIT MANAGER

Qualifications:
- Certified Internal Auditor (CIA) from the Institute of Internal Auditors
- Fellow Member of the Association of Chartered Certified Accountants (FCCA)
- BSc in Accounting and Finance from the University of Mauritius

Career Pathway:
- He started his career in the Audit Department of Deloitte before joining the Company in 2005.
- He has 17 years of experience in internal and external auditing.

Steeven RATTINAPPOULLE

TRANSACTION ADVISORY MANAGER

Qualifications:
- Fellow Member of the Association of Chartered Certified Accountants (ACCA)

Career Pathway:
- He started his career in the banking field of The Mauritius Commercial Bank in the corporate banking, where he spent 10 years.
- He joined Omnicane Group in 2018 as Project Finance Lead.
- He spent 2 years in the property department as Project and Investment Manager within the Group.
- Thereafter, he was the Group Project Finance Manager for 2 years for Omnicane Management & Consultancy Limited.
- He was promoted as Transaction Advisory Manager for the Group in early 2023.

Patrick MAMET

GENERAL MANAGER - AGRICULTURE

Career Pathway:
- Patrick Mamet joined Omnicane in 1980.
- He has over 40 years of experience concerning site management in the sugar industry.
- He has specialised in sugar agronomy and agricultural mechanisation.
- He was formerly a Field Manager of agricultural operations before being promoted to General Manager in 2021.

Jean Luc CABOCHE

GENERAL MANAGER – MILLING & LOGISTICS

Qualifications:
- Advanced Diploma in Business Management from the Association of Business Executive (UK)
- Masters in Business Administration from the Heriot-Watt University (UK)

Career Pathway:
- He has 30 years of experience in Factory Management, Maintenance and Operations locally and abroad.
- He was appointed General Manager of Omnicane Logistics Operations in April 2021.

Lindsay DAVY

GENERAL MANAGER - REFINERY

Qualifications:
- Diploma in Agriculture and Sugar Technology
- BSc in Sugar Engineering
- MSc in Project Management from the University of Mauritius

Career Pathway:
- He has more than 32 years of experience in the sugar industry, in process management and as a chemist.

KEY EXECUTIVES' PROFILES

(AS AT DECEMBER 31, 2022)

Rishi KAPOOR

GENERAL MANAGER – LA BARAQUE POWER PLANT

Qualifications:
- MBA from Paris-Sorbonne/Paris-Dauphine
- MSc in Industrial Engineering & Management
- BEng (Hons) Mechanical Engineering from the University of Mauritius

Career Pathway:
- He has been involved in the commissioning and maintenance of several thermal power plants in Mauritius.
- He has also worked on a biomass project (wood pellets) in France and partially participated in the commissioning of this power plant on the island of Martinique.

Frédéric ROBERT

POWER PLANT MANAGER – ST AUBIN

Career Pathway:
- Frédéric Robert is an experienced power plant specialist with 22 years of experience in the management of thermal power plants.

Jean-Pierre ROUILLARD

GENERAL MANAGER - DISTILLERY

Qualifications:
- Diploma in Management (Surrey, UK)

Career Pathway:
- He has 40 years of experience in management across different fields.
- He has a broad experience of the industrial sector in Mauritius.
- He joined the Omnicane ethanol distillery as General Manager in 2013.

Jean-Laurent ASTIER

GENERAL MANAGER – HOLIDAY INN MON TRESOR

Qualifications:
- Glion Institute of Higher Education in Switzerland

Career Pathway:
- He landed his first job as Head of Stewarding at Hotel Martinez in Cannes.
- He then took employment as Assistant Director with Société des Bains de Mer in Monaco.
- He came to Mauritius in the mid-nineties to work as Resident Manager at Ambre Hotel (Apavou Group).
- Afterwards, he spent four years at DCDM as Hospitality Consultant where he dealt with customers in the African region.
- Mr Astier briefly worked at the Sofitel Imperial Hotel in Mauritius before returning to France as Director for an Accor Group hotel with thalassotherapy facilities.
- He came back in 2003 as General Manager of Alizée Resort Management (Cardinal Exclusive Resort) prior to joining Holiday Inn Mauritius Mon Trésor in July 2016.

Aldo DUCASSE

GENERAL MANAGER – RETAIL

Qualifications:
- Diploma in Security Management, University of South Africa
- Prince2 Foundation, South Africa Real Estate Institute, Australia
- MQA Trainer in Sales Management techniques

Career Pathway:
- He started his career in hospitality in Mauritius in 1986.
- United Kingdom Beachcomber Tours UK, Guildford Surrey 1991
- Entrepreneur in Johannesburg, South Africa, Security business owner from 1995 to 2004
- Entrepreneur in Australia in Foodservice, Retail businesses 2004 to 2018
- Omnicane in 2019 as Sales Manager OITL
- 2022 General Manager OITL

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Responsibilities in Matters of Financial Statements

Company law requires the Directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Company and its subsidiaries. In preparing those financial statements, the Directors are required to:

- keep adequate accounting records;
- select suitable accounting policies and estimates and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures being disclosed and explained in the Notes to the Financial Statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Company and any of its subsidiaries will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements. They also confirm that most of the requirements of the National Code of Corporate Governance 2016 have been adhered to. Reasons have been provided where there has not been compliance. The Directors are responsible for safeguarding the assets of the Company and the Group, and hence for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and errors, and maintenance of an effective risk management system.

The Internal Audit Manager works according to an Internal Audit Plan which aims at covering over a period of time all operations of the Company and its subsidiaries by effecting regular visits on site, verifying that management controls and procedures are in place and followed, and providing corrective measures where weaknesses are detected.

The Internal Audit Manager writes a report on investigations, findings and recommendations after each site visit. At each meeting of the Audit Committee, which usually precedes a Board meeting, the Internal Audit Manager tables reports that are considered and approved by the Audit Committee. At the next Board meeting, the Chairperson of the Audit Committee apprises the Board of the workings of the Internal Audit Department.

The Group's external auditor, RSM Mauritius, has full access to the Board of Directors and its Committees and discuss the audit as well as matters arising therefrom, such as their observations on the fairness of financial reporting and the adequacy of internal controls. The external auditor is responsible for reporting on whether the financial statements are fairly presented.

Harold MAYER
CHAIRPERSON

Jacques M. D'UNIENVILLE
CHIEF EXECUTIVE OFFICER

CERTIFICATE OF COMPANY SECRETARY

DECEMBER 31, 2022

"I CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT THE COMPANY HAS FILED WITH THE REGISTRAR OF COMPANIES ALL SUCH RETURNS AS ARE REQUIRED OF THE COMPANY UNDER SECTION 166(D) OF THE MAURITIUS COMPANIES ACT 2001."

Eddie AH-CHAM, F.C.C.A.
for Omnicane Management & Consultancy Limited
Secretaries

We value

INNOVATION & CREATIVITY

INDEPENDENT AUDITOR'S REPORT

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RSM

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OMNICANE LIMITED 2(a)

This report is made solely to the shareholders of Omnicane Limited (the "Company") in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.

Opinion

We have audited the consolidated and separate financial statements of Omnicane Limited (the "Company") and its subsidiaries (the "Group") set out on pages 3 to 75, which comprise the consolidated and separate statement of financial position of the Group and the Company as at 31 December 2022, and the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of financial statements of the Group and Company in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter isprovided in that context.

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Established since 1982 as Margéot & Associates.

RSM (Mauritius) is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OMNICANE LIMITED 2(b)

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in the audit
<u>Impairment of investment in subsidiaries</u> In the Company's separate financial statements, investment in subsidiaries is carried at cost less impairment. At December 31, 2022, the Company has an investment of Rs 3,681 million in its subsidiaries. At the end of each reporting date, management makesan assessment whether there is an indication that investment in subsidiaries may be impaired. Various models are used for testing of impairment of investment in subsidiaries and involve complex judgments and estimates. Accordingly, it has been considered as a key audit matter.	We have performed the following substantive procedures: • We have discussed with management with regards to the Group and the Company's assessment of whether there is objective evidence of any impairment. • We have assessed the appropriateness of the valuation methodology used. • We have assessed the reasonableness of the cash flow forecast/business plans and related key financial assumptions. • Where the recoverable amount is based on net asset value (NAV), we have ensured that the NAV agrees to the audited financial statements of the investee entity.
<u>Recoverability of intercompany receivables</u> The Group and the Company have receivables from its related parties amounting to Rs 3,002 million and Rs 4,253 million respectively as at December 31, 2022 as detailed in Note 22. These receivables have been assessed as credit impaired for the purposeof assessment of expected credit losses. The related expected credit loss for the Group and the Company amount to Rs 2,388 million and Rs 3,240 million respectively as at the end of the reporting period. We have focused on this area given the significance of the receivables and the nature of judgements and assumptions used.	We have assessed the reasonableness of the cash flow projections of operating companies to determine the ability andtiming of estimated receipts of receivables from related parties. For non-operating companies, we have verified if these companies have sufficient assets that would enable them to repay their dues. We also discussed with management on their knowledge of future conditions that may affect expected receipts from these related companies.

Other matter

The consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2021 were audited by a predecessor auditor who expressed an unmodified opinion dated 17 June 2022 on these consolidated and separate financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Corporate Governance Report, Statement of Compliance, Statutory disclosures and the Company Secretary's Certificate as required by the Companies Act 2001. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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INDEPENDENT AUDITOR'S REPORT

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RSM

AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OMNICANE LIMITED 2(c)

Other Information (Continued)

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Else, we have nothing to report in this regard.

Corporate Governance Report

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of the Corporate Governance ("the Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Responsibilities of the Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordancewith ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OMNICANE LIMITED 2(d)

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the auditof the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company and its subsidiaries, other than in our capacity as auditor;
- We have obtained all information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

RSM (Mauritius) LLP

RSM (Mauritius) LLP
Chartered Accountants
Moka, Mauritius

Ravi R Kowlessur, FCCA
Licensed by FRC

Date: 31 March 2023

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STATEMENTS OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2022

		THE GROUP		THE COMPANY	
	Notes	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	2021 Rs'000
Revenue	5	8,765,414	5,625,967	304,950	310,202
Gain in fair value of consumable biological assets	25	34,076	46,350	27,988	27,949
Other operating income	6	50,928	70,058	47,879	49,356
		8,850,418	5,742,375	380,817	387,507
Operating expenses	7	(8,142,022)	(5,129,080)	(463,601)	(383,250)
Operating profit/(loss)		708,396	613,295	(82,784)	4,257
Impairment of assets and allowance for credit losses	11	(57,516)	(258,275)	(79,360)	(81,322)
Investment income	8	7,347	8,049	238,785	268,206
Finance costs	9	(417,389)	(642,010)	(179,830)	(431,102)
Other non-operating income/(expenses)	10	378,973	(166,353)	270,849	327,212
Share of results in associates	19	1,971	212	-	-
Share of results in joint ventures	20	5,511	862	-	-
Profit/(loss) before taxation		627,293	(444,220)	167,660	87,251
Income tax charge	12(a)	(58,769)	(86,791)	-	-
Profit/(loss) for the year from continuing operations		568,524	(531,011)	167,660	87,251
Discontinued operations					
Loss for the year from discontinued operations	43	-	(128,859)	-	-
Profit/(loss) for the year		568,524	(659,870)	167,660	87,251
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Translation differences arising on foreign operations	29	(1,958)	11,537	-	-
Items that will not be reclassified to profit or loss:					
Changes in fair value of equity instruments at fair value through other comprehensive income	21	-	3	-	3
Change in value of land conversion rights	17	(49,068)	30,658	(17,507)	10,939
Remeasurements of retirement benefit obligations	32	48,161	160,042	27,908	74,142
Deferred tax effect on remeasurements of retirement benefit obligations	23(d)	274	45	-	-
Other comprehensive income for the year		(2,591)	202,285	10,401	85,084
Total comprehensive income for the year		565,933	(457,585)	178,061	172,335
Profit/(loss) attributable to:					
Owners of the parent		373,413	(776,581)	167,660	87,251
Non-controlling interests		195,111	116,711	-	-
		568,524	(659,870)	167,660	87,251
Total comprehensive income attributable to:					
Owners of the parent		379,692	(598,999)	178,061	172,335
Non-controlling interests		186,241	141,414	-	-
		565,933	(457,585)	178,061	172,335
Earnings/(loss) per share (Rs.)	13	5.57	(11.59)		

The notes on pages 77 to 107 form an integral part of these financial statements.
Auditor's report on pages 72 to 73.

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

		THE GROUP			THE COMPANY	
	Notes	2022 Rs'000	Restated 2021 Rs'000	Restated 2020 Rs'000	2022 Rs'000	2021 Rs'000
ASSETS						
Non-current assets						
Property, plant and equipment	14	11,527,223	11,827,676	14,076,355	4,847,622	4,883,340
Right-of-use assets	15	405,500	406,182	419,961	139,261	165,556
Investment properties	16	-	-	2,394,207	-	-
Intangible assets	17	689,682	898,869	927,606	105,419	127,624
Investment in subsidiaries	18	-	-	-	3,681,221	1,455,481
Investment in associates	19	13,108	11,137	10,925	8,387	8,387
Investment in joint ventures	20	6,960	1,449	42,154	-	-
Financial assets at fair value through other comprehensive income	21	31	31	28	28	28
Financial assets at amortised cost	22	91,391	19,589	-	278,353	2,351,774
Total non-current assets		12,733,895	13,164,933	17,871,236	9,060,291	8,992,190
Current assets						
Inventories	24	2,594,585	2,015,434	1,969,012	844,196	786,414
Consumable biological assets	25	143,364	109,288	62,939	99,350	71,362
Trade receivables	26	2,263,118	838,263	779,714	63,359	85,253
Financial assets at amortised cost	22	522,379	730,287	1,102,116	734,512	494,995
Current tax assets	12	4,461	14,639	1,800	-	-
Cash in hand and at bank	37(d)	436,611	494,831	563,031	6,878	152,527
Total current assets		5,964,518	4,202,742	4,478,612	1,748,295	1,590,551
Non-current assets classified as held for sale	27	35,348	1,868,883	-	32,778	1,868,883
Total assets		18,733,761	19,236,558	22,349,848	10,841,364	12,451,624
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	28	502,593	502,593	502,593	502,593	502,593
Share premium		292,450	292,450	292,450	292,450	292,450
Revaluation and other reserves	29	3,457,286	5,311,771	6,668,541	4,519,348	6,369,292
Retained Earnings/(Accumulated losses)		2,139,674	(94,503)	(852,199)	1,332,118	(695,887)
Owners' interests		6,392,003	6,012,311	6,611,385	6,646,509	6,468,448
Non-controlling interests	35	1,034,676	908,435	775,596	-	-
Total equity		7,426,679	6,920,746	7,386,981	6,646,509	6,468,448
LIABILITIES						
Non-current liabilities						
Borrowings	30	3,908,880	4,340,910	3,303,652	1,770,000	2,427,079
Lease liabilities	31	298,274	290,438	297,149	163,289	185,181
Deferred tax liabilities	23	324,480	326,514	335,919	-	-
Payable to related parties	33	-	-	-	191,917	-
Retirement benefit obligations	32	311,315	368,047	538,069	159,856	191,255
Total non-current liabilities		4,842,949	5,325,909	4,474,789	2,285,062	2,803,515
Current liabilities						
Payable to related parties	33	121,906	177,364	239,990	567,214	617,813
Trade and other payables	34	3,114,368	2,941,226	2,713,809	810,081	1,061,579
Current tax liabilities	12	54,102	41,888	14,105	-	-
Derivative financial instruments		-	-	3,655	-	-
Borrowings	30	3,113,099	3,750,988	7,468,040	508,914	1,477,756
Lease liabilities	31	60,658	78,437	48,479	23,584	22,513
Total current liabilities		6,464,133	6,989,903	10,488,078	1,909,793	3,179,661
Total equity and liabilities		18,733,761	19,236,558	22,349,848	10,841,364	12,451,624

The financial statements have been approved for issue by the Board of Directors on 31 March 2023

Harold MAYER
CHAIRPERSON

Jacques M. D'UNIENVILLE, G.O.S.K
CHIEF EXECUTIVE OFFICER

The notes on pages 77 to 107 form an integral part of these financial statements.
Auditor's report on pages 72 to 73.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2022

THE GROUP

	Attributable to owners of the parent						
	Share capital Rs'000	Share premium Rs'000	Revaluation and other reserves Rs'000	Retained Earnings/ (Accumulated losses) Rs'000	Owners' interests Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At January 1, 2022							
- As previously reported	502,593	292,450	5,311,771	(212,899)	5,893,915	829,504	6,723,419
- Effect of prior year adjustments (Note 46)	-	-	-	118,396	118,396	78,931	197,327
- As restated	502,593	292,450	5,311,771	(94,503)	6,012,311	908,435	6,920,746
Total comprehensive income for the year:							
- Profit/(loss) for the year	-	-	-	373,413	373,413	195,111	568,524
- Other comprehensive income for the year	-	-	6,279	-	6,279	(8,870)	(2,591)
Transfer from revaluation reserve to retained earnings	-	-	(1,860,764)	1,860,764	-	-	-
Dividends (Note 36)	-	-	-	-	-	(60,000)	(60,000)
At December 31, 2022	502,593	292,450	3,457,286	2,139,674	6,392,003	1,034,676	7,426,679
At January 1, 2021							
- As previously reported	502,593	292,450	6,668,541	(844,364)	6,619,220	780,819	7,400,039
- Effect of prior year adjustments (Note 46)	-	-	-	(7,835)	(7,835)	(5,223)	(13,058)
- As restated	502,593	292,450	6,668,541	(852,199)	6,611,385	775,596	7,386,981
Total comprehensive income for the year:							
- Loss for the year	-	-	-	(776,581)	(776,581)	116,711	(659,870)
- Other comprehensive income for the year	-	-	177,582	-	177,582	24,703	202,285
Transfer from revaluation reserve to retained earnings	-	-	(1,533,044)	1,533,044	-	-	-
Contribution by non-controlling interest (Note 35)	-	-	-	-	-	19,425	19,425
Reclassification during the year	-	-	(1,308)	1,233	(75)	-	(75)
Dividends (Note 36)	-	-	-	-	-	(28,000)	(28,000)
At December 31, 2021	502,593	292,450	5,311,771	(94,503)	6,012,311	908,435	6,920,746

The notes on pages 77 to 107 form an integral part of these financial statements.
Auditor's report on pages 72 to 73.

THE COMPANY

	Share capital Rs'000	Share premium Rs'000	Revaluation and other reserves Rs'000	Retained earnings/ (Accumulated losses) Rs'000	Total Rs'000
At January 1, 2022	502,593	292,450	6,369,292	(695,887)	6,468,448
Profit for the year	-	-	-	167,660	167,660
Other comprehensive income for the year	-	-	10,401	-	10,401
Transfer from revaluation reserve to retained earnings	-	-	(1,860,345)	1,860,345	-
At December 31, 2022	502,593	292,450	4,519,348	1,332,118	6,646,509
At January 1, 2021	502,593	292,450	6,345,662	(844,592)	6,296,113
Profit for the year	-	-	-	87,251	87,251
Other comprehensive income for the year	-	-	85,084	-	85,084
Transfer from revaluation reserve to retained earnings	-	-	(61,454)	61,454	-
At December 31, 2021	502,593	292,450	6,369,292	(695,887)	6,468,448

The notes on pages 77 to 107 form an integral part of these financial statements.
Auditor's report on pages 72 to 73.

STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

		THE GROUP		THE COMPANY	
	Notes	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	2021 Rs'000
Cash generated from/(absorbed by) operating activities					
Operating profit/(loss) before working capital changes	37(a)	1,175,424	988,897	(57,509)	22,604
Working capital requirements	37(b)	(1,458,679)	74,036	(410,415)	(4,793)
		(283,255)	1,062,933	(467,924)	17,811
Interest paid		(417,389)	(642,010)	(170,056)	(362,622)
Net tax paid	12(b)	(38,137)	(81,220)	-	-
Net cash (used in)/generated from operating activities		(738,781)	339,703	(637,980)	(344,811)
Cash flows from investing activities					
Purchase of property, plant and equipment	14	(245,932)	(382,847)	(23,225)	(21,551)
Purchase of intangible assets	17	(2,291)	(6,023)	(402)	-
Acquisition of right of use assets	15	-	(4,014)	-	(1,189)
Proceeds from sale of land - net		1,966,476	205,983	1,966,476	205,983
Proceeds from sale of intangible assets		96,038	15,365	-	-
Proceeds from sale of plant and equipment		2,200	9,714	623	912
Proceeds from disposal of investment in subsidiary	42	-	2,414,647	-	2,414,647
Interest received		7,347	8,049	149,785	138,206
Dividends received from subsidiary companies		-	-	35,000	130,000
Net cash generated from investing activities		1,823,838	2,260,874	2,128,257	2,867,008
Cash flows from financing activities					
Dividends paid to minority shareholders		(60,000)	(28,000)	-	-
Payments of long-term and short-term borrowings	37(c)	(3,004,186)	(1,752,125)	(812,987)	(1,911,497)
Proceeds from long-term and short-term borrowings	37(c)	2,979,738	485,818	1,870,000	1,278,600
Principal paid on lease liabilities	37(c)	(58,560)	(35,386)	(20,822)	(19,605)
Proceeds from import loans	37(c)	1,679,007	514,754	-	-
Repayment of bonds	37(c)	-	(1,595,078)	-	(1,595,078)
Repayment of private placement		(2,218,688)	(300,173)	(2,218,688)	(300,173)
Derivative financial instruments		-	(3,655)	-	(3,655)
Acquisition of shares by non-controlling interests		-	19,425	-	-
Net cash used in financing activities		(682,689)	(2,694,420)	(1,182,497)	(2,551,408)
Movements in cash and cash equivalents		402,368	(93,843)	307,780	(29,211)
At January 1,		(686,970)	(727,970)	(734,816)	(736,981)
Increase/(decrease)		402,368	(93,843)	307,780	(29,211)
Effect of foreign exchange rate changes	37(c)	(18,127)	134,843	-	31,376
At December 31,	37(d)	(302,729)	(686,970)	(427,036)	(734,816)

The notes on pages 77 to 107 form an integral part of these financial statements.
Auditor's report on pages 72 to 73.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

1. GENERAL INFORMATION

Omnicane Limited (the "Company") is a public limited liability company incorporated and domiciled in Mauritius. The address of its registered office is Omnicane House, Mon Trésor Business Gateway, New Airport Access Road, Plaine Magnien.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Adoption of new and revised standards

Application of new and revised International Financial Reporting Standards (IFRSs).

In the current year, the Group and Company have applied all of the new and revised Standard and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2022.

New and revised Standards that are effective but with no material effect on the financial statements

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transactions or arrangements.

IAS 16 Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use

IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous

IFRS 3 Business Combinations – Amendments updating a reference to the Conceptual Framework

IFRS 9 Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (fees in the '10 per cent' test for derecognition of financial liabilities)

New and revised Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

IAS 1 Presentation of Financial Statements - Amendments regarding the classification of liabilities (effective January 1, 2023)

IAS 1 Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective January 1, 2023)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective January 1, 2023)

IAS 12 Income Taxes – Amendments regarding deferred tax on leases and decommissioning obligations (effective January 1, 2023)

The directors anticipate that these standards and interpretation will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the application of these amendments.

2.2 Basis of preparation

Statement of compliance

The consolidated and separate financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB') and in compliance with the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The financial statements of Omnicane Limited and its subsidiaries comply with the Mauritius Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the parent company and its subsidiaries (collectively referred to as the "Group") and the separate financial statements of the parent company (the "Company"). The consolidated financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs'000), except where otherwise indicated.

Where necessary, comparative figures have been amended to conform with changes in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) Land which is carried at revalued amount;

(ii) Investment properties are carried at fair value;

(iii) Relevant financial assets and financial liabilities are stated at fair value and/or at amortised cost;

(iv) Consumable biological assets are stated at fair value; and

(v) Land conversion rights are carried at revalued amount.

2.3 Revenue recognition

(a) Revenue from contracts with customers

(i) Sale of goods and services

Performance obligations and timing of revenue recognition

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession, usually will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

Determining the transaction price

The Group's revenue is mostly derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Revenue recognition (cont'd)

(a) Revenue from contracts with customers (cont'd)

(i) Sale of goods and services (cont'd)

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Each contract has a fixed price which is correspondingly allocated to performance obligations.

Revenue represents the gross proceeds of sugar, molasses and bagasse, the sale of electricity and steam, ethanol, proceeds from sale of land and morcellement lots and revenue derived from hotel operations.

(ii) Cane activities

The performance obligation relating to the sale of sugar and by-products is satisfied upon delivery of those goods. At the grower stage, control of the goods passes when the delivery truck crosses the weighbridges. At the miller and refiner stage, control of the goods passes to the customer upon delivery.

Sugar, molasses and bagasse proceeds are recognised on total production of the crop year. Sugar, molasses and bagasse prices are based on prices recommended by the Mauritius Cane Industry Authority for the crop year after consultation with the Mauritius Sugar Syndicate. The difference between the recommended price and the final price is reflected in the financial year in which it is established.

(iii) NOS Operations

Principal versus agent considerations

A number of the Group's contracts include promises in relation to refining activities undertaken on behalf of customers at a margin. For such activity, management exercises judgement in the consideration of principal versus agent based on an assessment as to whether the Group controls the relevant goods or services under the performance obligations prior to transfer to customers. Factors that influence this judgement include the level of responsibility the Group has under the contract for the provision of the goods or services, the extent to which the Group is incentivised to fulfil orders and the extent to which the Group exercises responsibility in determining the selling price of the goods and services. Taking all factors into consideration, the Group then comes to a judgement as to whether it acts as principal or agent on a performance obligation-by-performance obligation basis. Note that any changes in this judgement would not have a material impact on profit.

(iv) Power activities

The Energy cluster generates revenue from the sale of electricity and steam, which is recognised over time as and when distributed on the grid and to the group's industrial cluster.

(v) Ethanol activities

The ethanol distillery recognises revenue from the sale of neutral alcohol, heads & tails and concentrated molasses stillage and carbon food grade dioxide as and when it is shipped, and/or control passes over to the client.

(vi) Property development

Revenue is recognised when control over the land has been transferred to the customer, that is, when the legal title has passed to the customer upon signature of the "Acte de Vente". Therefore, revenue is recognised at a point in time when the legal title has passed to the customer. The revenue is measured at the transaction price agreed under the contract.

(vii) Hospitality services

Revenue is recognised overtime and duration of the contract at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

(b) Other revenues earned by the Group are recognised on the following bases:

(i) Rental income is recognised on a straight line basis over the lease term.

(ii) Management fees are recognised when the control of services is transferred to the customer at an amount that reflects the condition to which the group expects to be entitled in exchange of those services.

(iii) Dividend income derived from investments held in equity instruments is recognised in profit or loss in accordance with IFRS 9, unless the dividend clearly represent a recovery of part of the cost of the investment.

2.4 Property, plant and equipment

Freehold land is stated at fair value, based on valuations by external independent valuers. Buildings held for use in the production or supply of goods or for administrative purposes, are stated at historical cost, less subsequent depreciation for buildings. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Properties in the course of construction for production, or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalised. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Bearer plants comprising of sugar cane ratoons and plantation costs are capitalised and amortised over the period during which the Group expects to benefit from the asset, usually 7 years. The Group and the Company account for bearer plants in the same way as property, plant and equipment.

Depreciation is calculated on the straight-line method to write off the cost or revalued amounts of the assets, to their residual values over their estimated useful lives as follows:

Buildings	2 - 5.5 %
Power, plant and equipment	5 - 10 %
Refinery plant	5 %
Factory, plant and equipment	2 - 20 %
Distillery plant	4 %
Bearer plants	14 %

Freehold land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. The gain or loss arising on the disposals or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Investment properties

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Investment properties, which are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the properties (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the properties are derecognised.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related cost.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

2.6 Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets such as goodwill with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(a) Computer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives.

(b) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less impairment losses, if any.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(c) Land conversion rights obtained under the following schemes as per the provision of the Sugar Industry Efficiency Act (SIE Act)

(i) Blue print on centralisation of milling operations

Expenditure incurred in connection with costs of land and all other associated costs under the Blue Print on centralisation of milling operations are capitalised as 'Intangible assets' and are carried at cost less impairment losses. The carrying amount is tested annually for impairment, based on the estimated selling price of land conversion rights. If the carrying amount is less than the net realisable value, an impairment loss is recognised in profit and loss.

(ii) Closure of factories

Expenditure incurred in connection with the closure of factories are capitalised as 'Intangible assets' and are carried at cost less impairment losses. The carrying amount is tested annually for impairment, based on the estimated selling price of land conversion rights. If the carrying amount is less than the net realisable value, an impairment loss is recognised in profit and loss.

(iii) Voluntary retirement scheme

Expenditure incurred under the sugar reform in line with the provisions of the Sugar Industry Efficiency (SIE) Act is initially recognised at cost and subsequently measured at revalued amounts at each reporting date based on the estimated selling price of land conversion rights. If the carrying amount is less than the net realisable value, a decrease in fair value is recognised in OCI/revaluation reserve.

(iv) Recoup of project costs incurred - Factory Modernisation

Land conversion rights obtained in provisions of the Sugar Industry Efficiency (SIE) Act is initially recognised at fair value and subsequently measured at revalued amounts at each reporting date based on the estimated selling price of land conversion rights. If the carrying amount is less than the net realisable value, a decrease in fair value is recognised in OCI/revaluation reserve.

(d) Legal and professional costs in respect of Power Purchase Agreement (PPA)

The two energy generating entities, Omnicane Thermal Energy Operations (St Aubin) Limited and Omnicane Thermal Energy Operations (La Baraque) Limited incurred costs in relation to the Power Purchase Agreements (PPA) they both have with the Central Electricity Board. These legal and professional fees have been treated as intangible assets and are amortised over the term of each contract, which are for a 20 year period.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(e) Energy Management Contract

Omnicane Milling Operations Limited acquired the rights to the management contract of Omnicane Thermal Energy Operations (La Baraque) Limited and Omnicane Thermal Energy Operations (St Aubin) Limited, two energy generating entities. This management contract will run for a period of twenty years in line with the provisions of the Purchasing Power Agreement between Omnicane Thermal Energy Operations (La Baraque) Limited and Omnicane Thermal Energy Operations (St Aubin) and the Central Electricity Board. These rights have been recognised as an intangible assets and are amortised over the life of the contract.

Part of the energy management contracts was sold to Omnicane Management and Consultancy Limited in 2017.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Investment in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and the ability to affect those returns through its power over the entity.

Separate financial statements of the Company

Investment in subsidiaries in the separate financial statements of the Company are carried at cost, net of any impairment. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Consolidated financial statements

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealised gains/(losses) on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial assets. In additions, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.8 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence but not control, or joint control, in the financial and operating policies and decisions of the investee. Generally an accompanying shareholding between 20% and 50% of the voting rights is held by the Group in such Companies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Consolidated financial statements

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Investment in associates and joint ventures (cont'd)

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Separate financial statements of the Company

Investment in associates and joint ventures in the separate financial statements of the Company are carried at cost, net of any impairment. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment in subsidiairies, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

2.9 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are measured subsequently in their entirely at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amorised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows: and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may take the following irrecoverable election/designation at initial recognition of financial asset:

- the Group may irrecoverably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (ii) below); and
- the Group may irrecoverably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iii) below).

Measurement of financial assets

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income - interest income" line item (note 8).

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Financial instruments (cont'd)

Measurement of financial assets (cont'd)

(ii) Equity instruments designated as at FVTOCI (cont'd)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group, manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (ii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (ii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called "accounting mismatch") that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(1) the financial instrument has a low risk of default;

(2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

(3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flows obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Financial instruments (cont'd)

Impairment of financial assets (cont'd)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event (see (ii) above);

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

The Group classifies its financial liabilities depending on the purpose for which the liability was acquired. Other than financial liabilities in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

(a) Bank borrowings, bonds, private placements and other loans are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest payable while the liability is outstanding.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

(b) Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Financial instruments (cont'd)

Financial liabilities (cont'd)

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

(d) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.10 Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (excluding goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the exess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.11 Consumable biological assets

Standing sugar cane crop are measured at their fair value. The fair value of the standing canes is the present value of the expected net cash flow from the standing canes discounted at the relevant market determined pre-tax rate. Changes in fair value of consumable biological assets are recognised in profit or loss.

2.12 Current and deferred income tax

The tax expense for the year comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which deductible temporary differences can be utilised.

Corporate Social Responsibility

The Corporate Social Responsibility ("CSR") was legislated by Government in July 2009. In terms of the legislation, the Company is required to allocate 2% of its chargeable income of the preceeding financial year to Government approved CSR projects.

The required CSR charge for the current year is recognised as income tax expense in profit or loss. The net amount of CSR fund payable to the taxation authority is included as income tax payable in the statement of financial position.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of coal and molasses is determined by first-in first-out (FIFO) method. Inventory property comprises cost of land to be sold and related infrastructural costs. This expenditure is released to profit or loss to the extent that proceeds are received on the sale of land. Cost of other inventories is determined by the weighted average method. The cost of finished goods comprise of raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but exclude borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and applicable variable selling expenses.

2.14 Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Events or circumstances may extend the period to complete the sale beyond one year if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

When the Group and the Company are committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group and the Company will retain a non-controlling interest in its former subsidiary after the sale.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

2.16 Leases

Under IFRS 16, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16 Leases (cont'd)

Identifying Leases

The Group and the Company account for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;

(b) The Group and the Company obtain substantially all the economic benefits from use of the asset; and have

(c) The right to direct use of the asset.

The Group and the Company consider whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group and the Company obtain substantially all the economic benefits from use of the asset, the Group and the Company consider only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

The Group and the Company consider whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group and the Company obtain substantially all the economic benefits from use of the asset, the Group and the Company consider only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group and the Company have the right to direct use of the asset, the Group and the Company consider whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group and the Company apply other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group and the Company incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group and the Company if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group and the Company are contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group and the Company revise its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group and the Company renegotiate the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group and the Company to use an identified asset and require services to be provided to the Group and the Company by the lessor, the Group and the Company elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Accounting for leases - where the Group and the Company is the lessor

Lease income from leases where the Group and the Company are a lessor are recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining the lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. The Group and the Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting IFRS 16.

2.17 Borrowings costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale.

2.18 Retirement benefit obligations

Defined contribution plans

201-3

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Retirement benefit obligations (cont'd)

Defined benefit plan

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit period.

Remeasurement of the net defined benefit liability, which comprise of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service costs comprising of current service costs, past service costs, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

State plan

Contributions to the Contribution Social Generalisee are expensed to profit or loss in the period in which they fall due.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of the gratuity on retirement payable under the Workers Rights Act 2019 is calculated by a (qualified) actuary and provided for. The obligations arising under this item are not funded.

2.19 Provisions

Provisions are recognised when the Group and the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the year in which the dividends are declared.

2.21 Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates 'functional currency'. The consolidated financial statements are presented in Mauritian rupees, which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedge.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or cost'.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

2.22 Segment reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

2.23 Government Wage Assistance Scheme (GWAS) 201-4

Government GWAS is treated as government grant. It is recognised in profit or loss as a credit against salary costs in which the Company recognised as expenses the related costs for which the GWAS are intended to compensate. The Covid-19 levy imposed on the GWAS is payable in two instalments. The first instalment is based on the chargeable income of the current year and the second instalment is assessed on the forecasted chargeable income in the next year of assessment. The Covid-19 levy is accounted as a payable.

2.24 Related Parties

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if they have the ability, directly or indirectly, to control the Group and the Company or exercise significant influence over the Group and the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individual or other entities.

2.25 Spare parts

Spare parts held by a Group which will be used to replace broken parts on its production machineries have been classified as inventory and are expensed to profit or loss when these are replaced on the production machineries.

Spare parts which can be used on a specific production machinery and which extend the life of the production machineries and economic benefit derived from its use are capitalised as part of property plant and equipment. Depreciation on such spare parts is charged to profit or loss.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group's and the Company's activities are exposed to a variety of financial risks; market risk (including currency risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance. The Group and the Company use derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by the Treasury Department under policies approved by the Board of Directors. The Treasury Department identifies, evaluates and hedges financial risks in close co-operation with the operating units.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

3 FINANCIAL RISK MANAGEMENT (cont'd)

3.1 Financial Risk Factors (cont'd)

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The Risk Committee of the Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

(a) Market risk

(i) Currency risk

The Group's activities is mainly in the sugarcane growing and milling, electricity and ethanol production and hospitality services. The market strategy for the sale of raw and refined sugar rests with the Mauritius Sugar Syndicate (MSS) which is responsible for negotiating the sale of the sugar production of the country with potential buyers. The Group invoices its refined sugar in Euro to the MSS and ethanol in USD to Alcogroup S.A, who is the main offtaker for the Ethanol distillery. For electricity production, sale is made solely to the Central Electricity Board (CEB) and is based on a Power Purchase Agreement (PPA) for both energy companies. Coal used for electricity production is purchased in US dollar but its effect is mitigated by the fact that the tariff of electricity sold to the Central Electricity Board is adjusted in respect to changes in exchange rates.

At December 31, 2022, if the Mauritian rupee (MUR) had weakened/strengthened by 5% against the USD, GBP and Euro with all other variables held constant, the impact on profit for the year would be **Rs 164.4 M** (2021: Rs 89.0 M) for the Group, mainly as a result of foreign exchange gains/losses on translation of USD, GBP and Euro denominated cash balances, trade receivables, trade payables and bank borrowings.

At December 31, 2022, if the MUR had weakened/strengthened by 5% against the USD, GBP and Euro with all other variables held constant, the impact on loss for the year would be **Rs 2.3 M** (2021: Rs 6.1 M) for the Company mainly as a result of foreign exchange gains/losses on translation of USD, GBP and Euro denominated cash balances, trade receivables, trade payables and bank borrowings.

(ii) Price risk

The Group and the Company are not significantly exposed to equity price risk related to investment in quoted equity shares since the carrying value of the shares are not material.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its sugar operations are ultimately exposed to the sugar price on the world market, and particularly the EU market. The EU sugar market conditions have deteriorated over the year and has experienced higher volatility since the abolition of production quotas for EU beet sugar producers on October 1, 2017. The Group mitigates this risk through a strategy of diversification of markets and revenue sources. Further the energy operations require the ongoing purchase of coal for power generation. The Group ensures that the coal price volatility risk is adequately mitigated through indexation mechanisms in its Power Purchase Agreements.

(iii) Sensitivity analysis

The table below summarises the impact of increases/decreases in the price of sugar on the Group. The analysis is based on the assumption that the fair value and the sugar price had increased/decreased by 5%.

	THE GROUP		THE COMPANY	
	Impact on profit or loss & equity		Impact on profit or loss & equity	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Price of Sugar	**31,746**	24,781	**9,522**	8,227

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

(b) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties are accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

The Group's main debtors are the Mauritius Sugar Syndicate on account of sugar proceeds receivable, the Central Electricity Board for the sale of electricity and Alcogroup for the sale of ethanol.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

3 FINANCIAL RISK MANAGEMENT (cont'd)

3.1 Financial Risk Factors (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date:

	Less than 1 year Rs'000	Between 1 and 2 years Rs'000	Between 2 and 5 years Rs'000	Over 5 years Rs'000
THE GROUP				
At December 31, 2022				
Trade and other payables	**3,114,368**	**-**	**-**	**-**
Bank borrowings	**1,434,414**	**622,117**	**1,217,890**	**2,068,873**
Import loans	**1,678,685**	**-**	**-**	**-**
Lease liabilities	**60,658**	**71,580**	**128,381**	**98,313**
Payable to related parties	**121,906**	**-**	**-**	**-**
At December 31, 2021				
Trade and other payables	2,941,226	-	-	-
Bank borrowings	1,946,969	791,447	1,630,583	1,506,118
Private placement	-	2,229,579	-	-
Import loans	590,860	-	-	-
Lease liabilities	78,437	33,455	137,431	119,552
Payable to related parties	177,364	-	-	-
THE COMPANY				
At December 31, 2022				
Trade and other payables	**810,081**	**-**	**-**	**-**
Bank borrowings	**508,914**	**215,754**	**673,418**	**880,828**
Lease liabilities	**23,584**	**23,575**	**82,720**	**56,994**
Payable to related parties	**567,214**	**191,917**	**-**	**-**
At December 31, 2021				
Trade and other payables	1,061,579	-	-	-
Bank borrowings	1,477,756	122,500	75,000	-
Private placement	-	2,229,579	-	-
Lease liabilities	22,513	23,486	78,639	83,056
Payable to related parties	617,813	-	-	-

3.2 Capital Risk Management

The Group's and the Company's objective when managing capital is to safeguard the Group's and the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistently with others in the industry, the Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt over equity. Net debt is calculated as total debt (as shown in the statement of financial position) less cash in hand and at bank. Equity comprises of all components of equity (i.e. share capital, share premium, (accumulated losses)/retained earnings, revaluation surplus and other reserves).

The gearing ratios at December 31, 2022 and December 31, 2021 were as follows:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Total debt (note 30)	**7,021,979**	8,091,898	**2,278,914**	3,904,835
Less: cash and cash equivalents (note 37(d))	**(436,611)**	(494,831)	**(6,878)**	(152,527)
Net debt	**6,585,368**	7,597,067	**2,272,036**	3,752,308
Total Equity	**7,426,679**	6,920,746	**6,646,509**	6,468,448
Net debt to equity ratio	**0.89**	1.10	**0.34**	0.58

There were no changes in the Group's and the Company's approach to capital risk management during the year.

3.3 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise mainly of quoted equity investments classified as trading securities or FVTOCI.

4 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

In applying the Group's and the Company's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's and the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Going concern

As at December 31 2022, the current liabilities exceeded the current assets by Rs 0.5 bn (2021: Rs 2.8 bn) for the Group and Rs 0.2 bn (2021: Rs 1.59 bn) for the Company.

In view of improving its liquidity position and reducing its overall gearing, the Group will dispose of some of its non-core assets in 2023.

Based on the above, the financial statements have been prepared on a going concern basis, which assumes that the Group and the Company would continue in operational existence for the forseeable future.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

4 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS (cont'd)

Principal versus agent considerations

The Group has entered into a NOS Operations Master Agreement under which Omnicane Milling Operations Limited (a subsidiary) and the Mauritius Sugar Syndicate ("MSS") are the parties to the agreement, for the provision of white refined sugar ("WRS") to end-customers. These involve the import of non-originating sugar ("NOS"), the refining process and the export of in WRS on the Group's own account and/or as an intermediary on behalf of others.

Management is required to exercise judgement in order to determine to what extent, the Group's nature of its promise is a performance obligation to provide the specified goods or services (the Group acting as a principal) or to arrange for the other party to provide those goods or services (the Group acting as an agent). Whether the Group is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its business partners. Such judgements impact the amount of reported revenue and operating expenses but do not impact reported assets, liabilities or cash flows. Management judgement is also required to determine the specified good or service is a distinct good or service to be provided to the customer. If a contract with a customer includes more than one specified good or service, the Group could be a principal for some specified goods or services and an agent for others.

To determine the nature of promise, management considers the detailed guidance set out in IFRS 15 Revenue from contracts with customers, identifies the specified goods and services to be provided to the customer and assess whether it controls each specified good or service before that good or service is transferred to the customer.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Bearer biological assets

Bearer biological assets, included in property, plant and equipment are depreciated over their useful life. The actual life of the bearers are assessed annually, taking into account the life cycle of the ratoons, yields, estimated price of sugar and a discount rate.

Consumable biological assets - Standing sugar canes

The fair value of standing sugar canes crop has been arrived at by discounting the present value (PV) of expected net cash flows from standing canes discounted at the relevant market determined pre-tax rate.

The expected cash flows have been computed by estimating the expected crop and the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct expenses are based on the yearly budget of the group.

Other key assumptions for consumable biological assets are disclosed in note 25.

(b) Valuation of land

Land were valued based on the valuation report made by Noor Dilmohamed and Associates, on an open market value basis. Additional information is disclosed in note 14. The directors are of the opinion that the fair value of the properties at December 31, 2022 would not be materially different from their carrying amount, considering prevailing market conditions.

(c) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligation are based in part on current market conditions. Additional information is disclosed in note 32.

(d) Asset lives and residual values

Property, plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

(e) Depreciation policies

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group would currently obtain from the disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the asset at the end of their expected useful lives.

Estimates

Impairment of investment in subsidiary companies/ Associates/Joint ventures

Investment in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the investment's carrying value exceeds its recoverable amount, which represents the investment's fair value less cost to sell, which require the use of assumptions. The calculations use cash flow projections of the subsidiary based on financial forecasts prepared by management covering a five-year period. The carrying amount of the investment as at December 31, 2022 amounted to Rs 3.7 bn (2021: Rs 1.5 bn). Further details are provided in note 18.

Impairment of non-financial assets

Property, plant and equipment, investment in subsidiaries and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. The carrying value of an asset or CGU is compared to its recoverable amount ,which is the higher of its fair value less costs to sell and its value in use. Value in use calculation is based on a DCF model. Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The key assumptions used to determine the recoverable amount of the non-financial assets are disclosed in the respective notes.

Impairment losses on loans and advances to related parties

The Company reviews individually significant loans and advances at each reporting date to assess whether an impairment loss should be recorded in the statement of profit or loss and other comprehensive income. In particular, judgement by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Company make judgements about the borrower's financial situation and the net realisable value of collaterals. These estimate are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

5. REVENUE

The following is an analysis of the revenue for the year.

	THE GROUP 2022 Rs'000	THE GROUP Restated 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Revenue from contract with customers				
Sugar, molasses and bagasse	**1,592,204**	1,282,068	**252,555**	248,626
Compensation from Sugar Insurance Fund Board	**-**	71,743	**1,219**	16,494
Electricity generation	**6,339,614**	3,644,873	**-**	-
Ethanol	**680,297**	519,760	**-**	-
Hotel revenue	**94,441**	56,003	**-**	-
Agricultural diversification and others	**58,858**	51,520	**51,176**	45,082
	8,765,414	5,625,967	**304,950**	310,202

Disaggregation of revenue from contracts with customers is as follows:

	THE GROUP 2022 Rs'000	THE GROUP Restated 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Contract counterparties				
Retailers	**45,846**	24,087	**19,068**	4,036
Wholesalers	**8,608,830**	5,477,286	**269,585**	297,978
Direct to consumers	**110,738**	124,594	**16,297**	8,188
	8,765,414	5,625,967	**304,950**	310,202
Timing of revenue recognition				
Over time	**6,434,055**	3,700,876	**-**	-
At a point in time	**2,331,359**	1,925,091	**304,950**	310,202
	8,765,414	5,625,967	**304,950**	310,202

6. OTHER OPERATING INCOME

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Profit on disposal on land conversion rights	**23,234**	11,950	**-**	-
Rental income	**20,909**	23,674	**20,909**	23,674
Sundry income	**6,541**	1,941	**-**	-
Government wage assistance scheme	**-**	21,013	**-**	-
Management fees	**3,454**	1,996	**26,078**	25,000
(Loss)/profit on sale of property, plant and equipment	**(3,210)**	9,484	**892**	682
	50,928	70,058	**47,879**	49,356

7. OPERATING EXPENSES

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Depreciation on property, plant and equipment (note 14)	**494,463**	484,237	**19,889**	38,252
Depreciation of right of use assets (note 15)	**49,164**	49,014	**26,001**	25,859
Amortisation of intangible assets (note 17)	**23,348**	21,327	**-**	21
Raw materials and consumables used (note 24(i))	**5,248,009**	2,500,738	**52,914**	44,692
Employee expenses (note 7(i))	**766,337**	721,446	**145,709**	133,861
Sugar Insurance Fund Board premium	**56,423**	51,482	**15,880**	15,145
Growing expenses	**207,358**	133,033	**159,141**	99,156
Milling and refinery expenses	**379,645**	291,515	**-**	-
Lorries and haulage expenses	**178,704**	182,153	**-**	-
Energy expenses	**335,185**	326,117	**-**	-
Ethanol expenses	**36,357**	44,549	**-**	-
Hospitality expenses	**33,022**	18,457	**-**	-
Management fees	**182,186**	153,717	**35,499**	19,555
Administrative expenses	**151,821**	151,295	**8,568**	6,709
	8,142,022	5,129,080	**463,601**	383,250

7(i) EMPLOYEE EXPENSES

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Wages and salaries	**639,256**	602,596	**137,465**	113,777
Pension costs and social costs	**127,081**	118,850	**8,244**	20,084
	766,337	721,446	**145,709**	133,861

8. INVESTMENT INCOME

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Interest income	**7,347**	8,049	**149,785**	138,206
Dividend income	**-**	-	**89,000**	130,000
	7,347	8,049	**238,785**	268,206

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

9. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Foreign exchange (gains)/losses	(9,146)	96,400	(258)	33,951
Interest expense on:				
- Bank overdrafts	41,808	68,978	26,486	47,456
- Bank and other loans	305,560	213,359	76,730	69,899
- Related parties	57,705	39,991	64,687	80,371
- Loan notes	-	149,065	-	149,065
- Lease liabilites	21,462	19,423	12,185	13,012
- Bonds	-	54,794	-	37,348
	426,535	545,610	180,088	397,151
	417,389	642,010	179,830	431,102

10. OTHER NON-OPERATING INCOME/(EXPENSES)

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Profit on disposal of land	270,849	213,182	270,849	213,182
Recognition of additional land conversion rights	108,124	-	-	-
Profit on disposal of investment in subsidiary	-	-	-	114,030
Loss on disposal of investment property	-	(379,535)	-	-
	378,973	(166,353)	270,849	327,212

11. IMPAIRMENT OF ASSETS AND ALLOWANCE FOR CREDIT LOSSES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Non-financial assets				
Property, plant & equipment (Note 14(a))	2,662	170,628	-	2,825
Land conversion rights (Note 17)	46,193	-	5,100	-
Investment in associates (Note 19)	-	-	-	952
Investment in joint ventures (Note 20)	-	41,567	-	-
Inventories (Note 24(iii))	5,662	34,409	931	66
Financial assets at amortised cost				
Related parties (Note 22(a))	1,158	5,487	73,939	72,469
Other receivables (Note 22(a))	1,841	4,973	(610)	2,832
Reversal of loss allowance (Note 26(a))	-	(967)	-	-
Expected credit loss allowance	-	2,178	-	2,178
	57,516	258,275	79,360	81,322

12. TAXATION

Income tax is calculated at the rate of 15% (2021: 15%) on the profit for the year as adjusted for income tax purposes.

The Company is required to set up a corporate Social Responsibility ("CSR") fund equivalent to 2% of its chargeable income of the preceding year to implement a CSR programme in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General at the time of submission of the income tax return of the year under review.

		THE GROUP		THE COMPANY	
		2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	2021 Rs'000
(a)	**Charge/(credit) for the year**				
	Current tax on adjusted profit for the year at 15% (2021: 15%)	62,950	89,948	-	-
	CSR charge at 2%	6,582	9,276	-	-
	Tax credit for capital expenditure	(9,003)	(3,073)	-	-
	Deferred tax (Note 23(c))	(1,760)	(9,360)	-	-
	Tax charge for the year	58,769	86,791	-	-

The tax on the Group's/Company's loss before taxation differs from the theoretical amount that would arise using the basic tax rate of the Group/Company as follows:

		THE GROUP		THE COMPANY	
		2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	2021 Rs'000
	Profit/(loss) before taxation	627,293	(573,079)	167,660	87,251
	Tax calculated at 15% (2021: 15%)	94,094	(85,962)	25,149	13,088
	CSR charge at 2%	(6,917)	2,692	-	-
	Tax credit for capital expenditure	(9,003)	(3,073)	-	-
	Income not subject to tax	(7,952)	(197,881)	(65,024)	(183,783)
	Effect of prior year adjustments	(34,822)	2,304	-	-
	Expenses not deductible for tax purposes	24,950	341,427	31,914	147,849
	Utilisation of previously unrecognised tax losses	(1,581)	(1,694)	-	-
	Tax losses for which no deferred tax recognised	-	28,978	7,961	22,846
	Tax charge for the year	58,769	86,791	-	-
(b)	**Current tax (assets)/liabilities**				
	At January 1,				
	- As previously reported	(7,573)	14,609	-	75
	- Effect of prior year adjustments (Note 46)	34,822	(2,304)	-	-
	- As restated	27,249	12,305	-	75
	Movement during the year:				
	Current tax on the adjusted profit for the year at 15% (2021: 15%)	62,950	89,948	-	-
	Tax deducted at source	(27,548)	(28,818)	-	-
	Tax credit for capital expenditure	(9,003)	(3,060)	-	-
	CSR charge at 2%	6,582	9,276	-	-
	Tax refund	-	-	-	(75)
		60,230	79,651	-	-
	Tax paid	(10,589)	(52,402)	-	-
	At December 31,	49,641	27,249	-	-
	Disclosed as follows:				
	Current tax assets	(4,461)	(14,639)	-	-
	Current tax liabilities	54,102	41,888	-	-
		49,641	27,249	-	-

(c) At the end of the reporting year, the Group had unused tax losses of **Rs 2,308 M** (2021: Rs 2,735 M) and the Company had unused tax losses of **Rs 671 M** (2021: Rs 824 M) available for offset against future profits.

13. EARNINGS/(LOSS) PER SHARE

	THE GROUP	
	2022	Restated 2021
Profit/(loss) attributable to equity holders (Rs'000)	373,413	(776,581)
Number of ordinary shares in issue	67,012,404	67,012,404
Earnings/(loss) per share (Rs)	5.57	(11.59)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold land Rs'000	Buildings Rs'000	Power plant and equipment Rs'000	Factory equipment Rs'000	Refinery plant Rs'000	Plant and equipment Rs'000	Bearer plants Rs'000	Work in Progress Rs'000	Total Rs'000
(a) **THE GROUP**									
2022									
Valuation/Cost	**5,600,268**	**958,512**	**7,145,366**	**1,075,858**	**1,861,669**	**1,802,946**	**529,946**	**26,577**	**19,001,142**
Accumulated depreciation	**-**	**(371,627)**	**(3,993,832)**	**(654,584)**	**(897,410)**	**(1,080,453)**	**(476,013)**	**-**	**(7,473,919)**
Net book value	**5,600,268**	**586,885**	**3,151,534**	**421,274**	**964,259**	**722,493**	**53,933**	**26,577**	**11,527,223**
2021									
Valuation/Cost	5,641,942	952,026	6,036,067	1,054,514	1,857,965	2,747,656	503,227	13,735	18,807,132
Accumulated depreciation	-	(336,439)	(3,745,265)	(597,412)	(818,832)	(1,010,290)	(471,218)	-	(6,979,456)
Net book value	5,641,942	615,587	2,290,802	457,102	1,039,133	1,737,366	32,009	13,735	11,827,676
NET BOOK VALUE									
At January 1, 2022	**5,641,942**	**615,587**	**2,290,802**	**457,102**	**1,039,133**	**1,737,366**	**32,009**	**13,735**	**11,827,676**
Additions	**-**	**7,201**	**138,109**	**21,344**	**4,921**	**24,106**	**26,719**	**23,532**	**245,932**
Transfer to non-current asset classified as held for sale (Note 27)	**(32,778)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(32,778)**
Transfer	**-**	**-**	**971,190**	**-**	**-**	**(960,500)**	**-**	**(10,690)**	**-**
Disposals	**(8,896)**	**(715)**	**-**	**-**	**-**	**(5,654)**	**-**	**-**	**(15,265)**
Depreciation	**-**	**(35,188)**	**(248,567)**	**(57,172)**	**(78,578)**	**(70,163)**	**(4,795)**	**-**	**(494,463)**
Written off	**-**	**-**	**-**	**-**	**(1,217)**	**-**	**-**	**-**	**(1,217)**
Impairment (Note 11)	**-**	**-**	**-**	**-**	**-**	**(2,662)**	**-**	**-**	**(2,662)**
At December 31, 2022	**5,600,268**	**586,885**	**3,151,534**	**421,274**	**964,259**	**722,493**	**53,933**	**26,577**	**11,527,223**
At January 1, 2021	7,563,075	676,486	2,694,210	497,368	1,102,722	1,504,348	38,146	-	14,076,355
Additions	-	5,194	4,616	15,971	10,494	316,957	15,880	13,735	382,847
Transfer to non-current asset classified as held for sale (Note 27)	(1,868,883)	-	-	-	-	-	-	-	(1,868,883)
Transfer (to)/from inventory (Note 24)	9,400	(7,692)	-	-	-	2,106	-	-	3,814
Transfer to right of use assets (Note 15)	-	-	(20,056)	-	-	-	-	-	(20,056)
Transfer to intangible assets (Note 17)	-	-	-	-	-	(1,028)	-	-	(1,028)
Disposals	(61,650)	-	-	-	-	-	-	-	(61,650)
Depreciation	-	(33,636)	(217,340)	(56,237)	(74,083)	(80,924)	(22,017)	-	(484,237)
Written off	-	(24,765)	-	-	-	(4,093)	-	-	(28,858)
Impairment (Note 11)	-	-	(170,628)	-	-	-	-	-	(170,628)
At December 31, 2021	5,641,942	615,587	2,290,802	457,102	1,039,133	1,737,366	32,009	13,735	11,827,676

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

14. PROPERTY, PLANT AND EQUIPMENT(CONT'D)

		Freehold land Rs'000	Buildings Rs'000	Plant and equipment Rs'000	Work-in-progress Rs'000	Bearer plants Rs'000	Total Rs'000
(b)	**THE COMPANY**						
	2022						
	Valuation/Cost	4,707,010	139,525	376,754	-	367,694	5,590,983
	Accumulated depreciation	-	(65,801)	(344,852)	-	(332,708)	(743,361)
	Net book value	4,707,010	73,724	31,902	-	34,986	4,847,622
	2021						
	Valuation/Cost	4,746,114	139,525	362,991	10,690	346,083	5,605,403
	Accumulated depreciation	-	(57,645)	(333,939)	-	(330,479)	(722,063)
	Net book value	4,746,114	81,880	29,052	10,690	15,604	4,883,340
	NET BOOK VALUE						
	2022						
	At January 1, 2022	4,746,114	81,880	29,052	10,690	15,604	4,883,340
	Additions	-	-	1,614	-	21,611	23,225
	Transfer from right of use assets (Note 15)	-	-	294	-	-	294
	Transfer	-	-	10,690	(10,690)	-	-
	Transfer to non-currrent assets held-for-sale (Note 27)	(32,778)	-	-	-	-	(32,778)
	Disposals	(6,326)	-	(244)	-	-	(6,570)
	Depreciation	-	(8,156)	(9,504)	-	(2,229)	(19,889)
	At December 31, 2022	4,707,010	73,724	31,902	-	34,986	4,847,622
	2021						
	At January 1, 2021	6,676,647	122,121	40,486	-	26,602	6,865,856
	Additions	-	357	1,122	10,690	9,382	21,551
	Transfer from right of use assets (Note 15)	-	-	310	-	-	310
	Transfer to inventory property (Note 24)	-	(7,692)	-	-	-	(7,692)
	Transfer to non-currrent assets held-for-sale (Note 27)	(1,868,883)	-	-	-	-	(1,868,883)
	Disposals	(61,650)	-	(310)	-	-	(61,960)
	Depreciation	-	(8,141)	(9,731)	-	(20,380)	(38,252)
	Written off	-	(24,765)	(2,825)	-	-	(27,590)
	At December 31, 2021	4,746,114	81,880	29,052	10,690	15,604	4,883,340

(c) Depreciation charge on property, plant and equipment has been included under operating expenses.

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(d) If the freehold land was stated on the historical cost basis, the amounts would be as follows:

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
At December 31,				
Freehold land	401,203	433,157	170,806	203,762

(e) The Group's and the Company's freehold land was last revalued at December 31, 2020 by Noor Dilmohamed & Associates, an independent professional valuer. The independent valuer is a well known established and experienced land surveyor in Mauritius performing valuation on freehold land and building. He is a Certified Practising Valuer of the Fellow Australian Property Institute and a registered valuer under the laws of Mauritius.

The directors have estimated that the carrying values of land approximate their fair values at December 31, 2022 and 2021.

The fair value of the land is based on its market value, which is defined as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

Details of the Group's and the Company's freehold land measured at fair value and information about the fair value hierarchy as at December 31, 2022 is as follows:

		THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
At December 31,					
Freehold land	Level 3	5,600,268	5,641,942	4,707,010	4,746,114

The fair value of land is classified in level 3 of the fair value hierarchy as it has been valued using significant unobservable valuation input.

Information about fair value measurements using significant unobservable inputs are as follows:

	THE GROUP Significant unobservable input	THE GROUP Range of unobservable input Rs'000/Ha	THE COMPANY Significant unobservable input	THE COMPANY Range of unobservable input Rs'000/Ha
Description				
Freehold land	Price per hectare	73 - 53,326	Price per hectare	73 - 8,355

Significant increase/(decrease) in the above unobservable inputs in isolation would result in a significant higher/(lower) fair value.

	THE GROUP Impact on fair value 2022 Rs'000	THE GROUP Impact on fair value 2021 Rs'000	THE COMPANY Impact on fair value 2022 Rs'000	THE COMPANY Impact on fair value 2021 Rs'000
Increase of 5% in price per hectare	284,341	284,341	235,351	237,306
Decrease of 5% in price per hectare	(284,341)	(284,341)	(235,351)	(237,306)

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YEAR ENDED DECEMBER 31, 2022

15. RIGHT-OF-USE ASSETS

	Land and buildings Rs'000	Motor vehicles and equipment Rs'000	Total Rs'000
THE GROUP			
Cost			
At January 1, 2021	363,642	167,111	530,753
Additions	-	19,246	19,246
Transfer to PPE (Note 14)	-	(15,315)	(15,315)
Transfer from PPE (Note 14)	-	20,056	20,056
Termination	-	(12,240)	(12,240)
At December 31, 2021	**363,642**	**178,858**	**542,500**
Additions	**30,570**	**18,206**	**48,776**
Transfer to PPE (Note 14)	**-**	**(1,102)**	**(1,102)**
At December 31, 2022	**394,212**	**195,962**	**590,174**
Accumulated depreciation			
At January 1, 2021	(51,828)	(58,964)	(110,792)
Charge for the year	(28,105)	(20,909)	(49,014)
Transfer to PPE (Note 14)	-	12,213	12,213
Termination	-	11,275	11,275
At December 31, 2021	**(79,933)**	**(56,385)**	**(136,318)**
Charge for the year	**(30,011)**	**(19,153)**	**(49,164)**
Transfer to PPE (Note 14)	**-**	**808**	**808**
At December 31, 2022	**(109,944)**	**(74,730)**	**(184,674)**
Carrying amount			
At December 31, 2022	**284,268**	**121,232**	**405,500**
At December 31, 2021	283,709	122,473	406,182
THE COMPANY			
Cost			
At January 1, 2021	222,092	20,944	243,036
Additions	-	1,189	1,189
Transfer to PPE (Note 14)	-	(2,297)	(2,297)
At December 31, 2021	**222,092**	**19,836**	**241,928**
Transfer to PPE (Note 14)	**-**	**(1,102)**	**(1,102)**
At December 31, 2022	**222,092**	**18,734**	**240,826**
Accumulated Depreciation			
At January 1, 2021	(40,254)	(12,246)	(52,500)
Charge for the year	(22,042)	(3,817)	(25,859)
Transfer to PPE (Note 14)	-	1,987	1,987
At December 31, 2021	**(62,296)**	**(14,076)**	**(76,372)**
Charge for the year	**(23,217)**	**(2,784)**	**(26,001)**
Transfer to PPE (Note 14)	**-**	**808**	**808**
At December 31, 2022	**(85,513)**	**(16,052)**	**(101,565)**
Carrying amount			
At December 31, 2022	**136,579**	**2,682**	**139,261**
At December 31, 2021	159,796	5,760	165,556

15. RIGHT-OF-USE ASSETS (CONT'D)

The Group and the Company lease several assets including buildings, leasehold land and motor vehicles with lease terms of 7, 99 and 6 years respectively.

The Company leases several assets comprising of buildings and motor vehicles. The lease term of buildings and motor vehicles are 7 and 5 years respectively.

The Group and the Company have no option to purchase those lease assets, except for motor vehicles.

At the reporting date, the carrying amount of right-of-use assets has been reviewed. No indication of impairment has been noted.

16. INVESTMENT PROPERTIES

	THE GROUP	
	2022 Rs'000	**2021 Rs'000**
Fair value		
At January 1,	-	2,394,207
Disposal	-	(2,414,647)
Movement in fair value during the year (Note 43)	-	(132,890)
Transfer from inventory property (Note 24)	-	153,330
At December 31,	-	-

In June 2021, the Group disposed of its investment properties to the Mauritius Investment Corporation (MIC) for a total consideration of Rs 2.4 Bn (refer to note 18).

The fair value of the Group's investment property at December 31, 2020 has been arrived at on the basis of a valuation carried out at that date by Noor Dilmohamed & Associates, an independent valuer not connected with the Group. The valuation methodology is the Open Market Value Approach which is defined by the International Valuation Standards Committee as the estimated amounts of which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each knowledgeably, prudently and without compulsion.

The market value of the land was derived using the following approach:

(i) The Comparative Method of Valuation involves the assessment of the property based on sale comparable in the neighbourhood and adjusted to reflect its location, characteristics and size; and

(ii) In estimating the fair value of the properties, the highest and best value of the properties is their current use.

The fair value of land is classified in level 3 of the fair value hierarchy as it has been valued using unobservable market data. There were no transfers between levels during the year.

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17. INTANGIBLE ASSETS

(a)

	Land conversion rights Rs'000	Software, legal and professional costs Rs'000	Energy management contracts Rs'000	Rebranding costs Rs'000	Total Rs'000
THE GROUP					
COST/VALUATION					
At January 1, 2021	909,020	133,930	297,418	12,060	1,352,428
Transfer from PPE (Note 14)	-	1,029	-	-	1,029
Additions	-	6,023	-	-	6,023
Change in fair value	30,658	-	-	-	30,658
Disposals	(45,068)	(52)	-	-	(45,120)
At December 31, 2021	**894,610**	**140,930**	**297,418**	**12,060**	**1,345,018**
Additions	**108,124**	**2,291**	**-**	**-**	**110,415**
Change in fair value	**(49,068)**	**-**	**-**	**-**	**(49,068)**
Disposals	**(200,993)**	**-**	**-**	**-**	**(200,993)**
At December 31, 2022	**752,673**	**143,221**	**297,418**	**12,060**	**1,205,372**
ACCUMULATED AMORTISATION					
At January 1, 2021	122,395	101,602	188,765	12,060	424,822
Charge for the year	-	7,749	13,578	-	21,327
At December 31, 2021	**122,395**	**109,351**	**202,343**	**12,060**	**446,149**
Impairment (Note 17(d))	**46,193**	**-**	**-**	**-**	**46,193**
Charge for the year	**-**	**7,486**	**15,862**	**-**	**23,348**
At December 31, 2022	**168,588**	**116,837**	**218,205**	**12,060**	**515,690**
NET BOOK VALUE					
At December 31, 2022	**584,085**	**26,384**	**79,213**	**-**	**689,682**
At December 31, 2021	772,215	31,579	95,075	-	898,869

(b)

	Land Conversion Rights Rs'000	Rebranding Costs Rs'000	Software Rs'000	Others Rs'000	Total Rs'000
THE COMPANY					
COST/VALUATION					
At January 1, 2021	126,875	1,039	18,670	-	146,584
Change in fair value	10,939	-	-	-	10,939
At December 31, 2021	**137,814**	**1,039**	**18,670**	**-**	**157,523**
Additions	**-**	**-**	**-**	**402**	**402**
Change in fair value	**(17,507)**	**-**	**-**	**-**	**(17,507)**
At December 31, 2022	**120,307**	**1,039**	**18,670**	**402**	**140,418**
ACCUMULATED AMORTISATION AND IMPAIRMENT					
At January 1, 2021	10,190	1,039	18,649	-	29,878
Charge for the year	-	-	21	-	21
At December 31, 2021	**10,190**	**1,039**	**18,670**	**-**	**29,899**
Impairment (Note 17(d))	**5,100**	**-**	**-**	**-**	**5,100**
At December 31, 2022	**15,290**	**1,039**	**18,670**	**-**	**34,999**
NET BOOK VALUE					
At December 31, 2022	**105,017**	**-**	**-**	**402**	**105,419**
At December 31, 2021	127,624	-	-	-	127,624

(c) Amortisation charge on intangible assets has been included under operating expenses.

(d) **Land Conversion Rights**

During the year, the Group and the Company carried out a review of the recoverability of the land conversion rights and this resulted in an impairment charge of Rs 46.2 M for the Group (2021: Rs nil) and Rs 5.1 M for the Company (2021: Rs nil). The Group and the Company also carried out a review of the fair value of the land conversion rights and this resulted in a decrease of Rs 49.1 M in the fair value for the Group (2021: increase of Rs 30.7 M) and a decrease of Rs 17.5 M in the fair value of the Company (2021: increase of Rs 10.9 M). The recoverable and fair value amount was determined at the cash-generating unit level and represents the net selling price, determined by reference to the latest sales made.

The significant unobservable input used to determine the fair value of land conversion rights is the price per arpent. If the price per arpent increases/decreases by 5%, the fair value will increase/decrease by Rs 20.8 M for the Group and Rs 3.0 M for the Company (2021: Rs 43.3 M for the Group and Rs 3.8 M for the Company).

The fair value of land conversion rights is classified in level 3 of the fair value hierarchy as it has been valued using significant unobservable valuation input.

18. INVESTMENT IN SUBSIDIARIES

	THE COMPANY 2022 Rs'000	2021 Rs'000
COST		
At January 1	**1,455,481**	3,420,649
Disposal	**-**	(1,964,230)
Winding up	**-**	(938)
Issue of shares	**2,225,740**	-
At December 31,	**3,681,221**	1,455,481

In December 2022, Omnicane Milling Holdings (Britannia-Highlands) Limited, Omnicane Milling Holdings (Mon Trésor) Limited and Omnicane Milling Operations Limited have issued 1,142,015 Class B shares for Rs 1,142,015,000, 231,435 Class B Shares for Rs 231,435,000 and 852,278 Class C shares for MUR 852,277,706 respectively.

In June 2021, the Group and the Company concluded an agreement with the Mauritius Investment Corporation (MIC) for the sale of all its shares held in Mon Trésor Smart City Ltd (a wholly-owned subsidiary) for a consideration of Rs 2.41 bn. The proceeds have been used to repay its Rs 1.15 bn bonds which matured in June 2021, early repayment of its bonds of Rs 0.44 bn maturing in 2022, early repayment of its private placement of Rs 0.30 bn maturing in 2023 and part repayment of a term loan amounting to Rs 0.36 bn.

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18. INVESTMENT IN SUBSIDIARIES (CONT'D)

The subsidiaries of Omnicane Limited are as follows:

			2022			2021		
			% Holding		Amount	% Holding		Amount
Companies	Type of shares held	Activity	Held directly	Held by other group companies	Rs'000	Held directly	Held by other group companies	Rs'000
Direct Holding								
. FAW Investment Limited	Ordinary	Investment	**100**	**-**	**148,206**	100	-	148,206
. Omnicane Logistic Operations Limited	Ordinary	Transport	**100**	**-**	**150,000**	100	-	150,000
. Omnicane Thermal Energy Holdings (St Aubin) Limited	Ordinary	Investment	**100**	**-**	**173,498**	100	-	173,498
. Omnicane Holdings (La Baraque) Thermal Energy Limited	Ordinary	Investment	**100**	**-**	**78,622**	100	-	78,622
. Omnicane Wind Energy Limited	Ordinary	Energy	**100**	**-**	**-**	100	-	-
. Omnicane Britannia Wind Farm Operations Limited	Ordinary	Energy	**100**	**-**	**-**	100	-	-
. Omnicane Ethanol Holdings Limited	Ordinary	Investment	**60**	**-**	**105,155**	60	-	105,155
. Airport Hotel Ltd	Ordinary	Hotel	**51**	**10**	**-**	51	10	-
. Omnicane Africa Investment Ltd	Ordinary	Investment	**100**	**-**	**-**	100	-	-
. Agri Hub and Company Ltd	Ordinary	Security	**100**	**-**	**-**	100	-	-
. Omnicane International Investment Co Ltd	Ordinary	Investment	**100**	**-**	**-**	100	-	-
. Omnicane Hydro Energy Limited	Ordinary	Management	**100**	**-**	**-**	100	-	-
. Blueport Investment Limited	Ordinary	Real Estate	**100**	**-**	**-**	100	-	-
. Mon Trésor Smart City Ltd*	Ordinary	Real Estate	**-**	**-**	**-**	-	-	-
. Mon Trésor Smart City Management Ltd	Ordinary	Real Estate	**100**	**-**	**-**	100	-	-
. Omnicane Sugar Trading Ltd	Ordinary	Sale of sugar	**100**	**-**	**-**	100	-	-
. Mon Trésor Retail Ltd	Ordinary	Retail	**-**	**100**	**-**	-	100	-
. Mon Trésor Business Gateway Phase 1 Ltd**	Ordinary	Real Estate	**-**	**-**	**-**	-	-	-
. Omnihydro Ltd	Ordinary	Energy	**98**	**-**	**-**	98	-	-
. Omnicane International Trading Limited	Ordinary	Marketing	**100**	**-**	**-**	100	-	-
. Omnicane Milling Holdings (Mon Trésor) Limited	Class B	Investment	**80**	**-**	**231,447**	80	-	-
. Omnicane Milling Holdings (Britannia Highlands) Limited	Class B	Investment	**80**	**-**	**1,142,015**	80	-	-
. Omnicane Milling Operations Limited	Class B	Sugar Milling	**-**	**-**	**800,000**	-	-	800,000
. Omnicane Milling Operations Limited	Class C	Sugar Milling	**-**	**-**	**852,278**	-	-	-
					3,681,221			1,455,481

* On June 7, 2021, the Company disposed its 100% shareholding in Mon Trésor Smarty City Ltd for a sales proceed of Rs 2.4 Bn.
** On June 1, 2021, the subsidiary was wound up.
*** On December 15, 2022, issue of shares by Omnicane Milling Holdings (Britannia-Highlands) Limited, Omnicane Milling Holdings (Mon Trésor) and Omnicane Milling Operations Limited for a total value of Rs 2,2Bn

			2022			2021		
Indirect Holding								
. Omnicane Milling Operations Limited	Ordinary	Sugar Milling	-	80	390,888	-	80	390,888
. Omnicane Agricultural Operations Limited	Ordinary	Sugar Growing	-	100	10,400	-	100	10,400
. Omnicane Thermal Energy Operations (St Aubin) Limited	Ordinary	Energy	-	60	153,000	-	60	153,000
. Omnicane Thermal Energy Operations (La Baraque) Limited	Ordinary	Energy	-	60	456,600	-	60	456,600
. Thermal Valorisation Co Ltd	Ordinary	Energy	-	65	191,100	-	65	191,100
. Omnicane Ethanol Production Ltd	Ordinary	Ethanol	-	100	10	-	100	10
. Omnicane Bio-Ethanol Operations Limited	Ordinary	Ethanol	-	100	142,368	-	100	142,368
. Omnicane Heat and Power Services Ltd	Ordinary	Energy	-	100	200,000	-	100	200,000
. Trade Park Mon Trésor Limited***	Ordinary	Real Estate	-	-	-	-	-	-
. Mon Trésor Residences Phase 1 Ltd	Ordinary	Real Estate	-	100	1	-	100	1
. Mon Trésor Development and Training Center Ltd	Ordinary	Investment	-	100	100,000	-	100	100,000
. Mon Trésor Gateway Ltd**	Ordinary	Real Estate	-	-	-	-	-	-
. Mon Trésor Studio Operations & Management Ltd**	Ordinary	Cinematography	-	-	-	-	-	-
. Mon Trésor Studio Property Ltd**	Ordinary	Real Estate	-	-	-	-	-	-
. Mon Trésor Studio Holdings Ltd**	Ordinary	Investment	-	-	-	-	-	-

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18. INVESTMENT IN SUBSIDIARIES (CONT'D)

The financial statements of all the above subsidiaries, included in the consolidated financial statements, are co-terminous with those of the holding company. Except for FAW Investment Limited, which is incorporated in the Isle of Man and Omnihydro Ltd, incorporated in Rwanda, all the subsidiary companies are incorporated in the Republic of Mauritius.

Subsidiaries with material non-controlling interests

Details of subsidiaries that have non-controlling interests that are material to the entity:

	Profit/(loss) allocated to non-controlling interests during the year		Non-controlling interests	
Name of Subsidiaries	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000
Omnicane Thermal Energy Operations (St Aubin) Limited	24,136	32,392	346,088	321,952
Omnicane Thermal Energy Operations (La Baraque) Limited	89,609	121,052	796,956	707,347
Omnicane Milling Operations Limited	13,630	11,544	(66,352)	(79,982)
Omnicane Ethanol Production Ltd	40,078	18,955	261,017	220,939
Airport Hotel Ltd	(21,985)	(21,067)	(97,369)	(75,384)

19. INVESTMENT IN ASSOCIATES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1	11,137	10,925	8,387	9,339
Share of profit for the year	1,971	212	-	-
Impairment (Note 11)	-	-	-	(952)
At December 31,	13,108	11,137	8,387	8,387

(a) The Group accounts for its investment in associates on an equity method. At the end of each financial year, the Group reassess the closing balance of its investment in associate based on its net assets value. No further indication of impairment has been noted during the year ended December 31, 2022 (2021: review led to an impairment of Rs 0.9 M).

The following companies are the associates of Omnicane Group:

Name	Year end	Principal place of business	Nature of business	Proportion of effective interest - % 2022	2021
Real Good Food Plc	March 31,	United Kingdom	Manufacturer and distributor of Food	20.74	20.74
Kwale International Sugar Company Ltd	December 31,	Kenya	Sugar Growing and manufacturing plan	20.00	20.00
Coal Terminal (Management) Co. Ltd	December 31,	Mauritius	Distributor of coal	40.72	40.72
Copesud (Mauritius) Ltée	December 31,	Mauritius	Agricultural products	25.00	25.00

All the associates except for Real Good Food Plc and Kwale International Sugar Co Ltd are accounted for using the equity method in these consolidated financial statements as these associates have been fully impaired.

(b) Summarised financial information in respect of the Group's material associate is set out below.

	Coal Terminal (Management) Co Ltd		Copesud (Mauritius) Ltee	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Current assets	30,776	55,158	80,760	55,498
Non-current assets	56,635	61,546	16,787	19,509
Current liabilities	26,964	51,376	55,458	37,772
Non-current liabilities	52,283	58,546	2,956	3,691
Equity attributable to owners of the Company	8,164	6,755	39,132	33,545
Revenue	184,916	202,001	112,290	95,973
Profit from continuing operations	3,122	2,958	6,200	2,841
Profit for the year	1,382	2,879	5,650	2,337
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	1,382	2,879	5,650	2,337

(c) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

	2022			2021		
Name	Net assets Rs'000	Ownership interest %	Carrying value Rs'000	Net assets Rs'000	Ownership interest %	Carrying value Rs'000
Coal Terminal (Management) Co. Ltd	8,164	40.72	3,324	6,755	40.72	2,750
Copesud (Mauritius) Ltée	39,132	25.00	9,784	33,545	25.00	8,387
Total			13,108			11,137

20. INVESTMENT IN JOINT VENTURES

	THE GROUP	
	2022 Rs'000	2021 Rs'000
At January 1	1,449	42,154
Share of results for the year	5,511	862
Impairment (Note (i))	-	(41,567)
At December 31,	6,960	1,449

(a) Details of each of the Group's joint ventures as at December 31, 2021 are as follows:

Name	Year end	Principal place of business	Nature of business	Proportion of effective interest - % 2022	2021
Maref Mon Trésor Investment 1 Ltd	June 30,	Mauritius	Real Estate	18.55	18.55
Maref Mon Trésor Investment 2 Ltd	June 30,	Mauritius	Real Estate	20.00	20.00

All of the above joint ventures are accounted for using the equity method in these consolidated financial statements.

	Maref Mon Trésor Investment 1 Ltd		Maref Mon Trésor Investment 2 Ltd	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Current assets	8,986	4,389	310	288
Non-current assets	448,978	431,972	262,501	264,156
Current liabilities	25,877	23,299	61,175	60,847
Non-current liabilities	394,589	420,867	160,328	159,828
Equity attributable to owners of the Company	37,498	7,805	41,308	43,065
Revenue	10,886	10,496	-	-
Profit/(loss) from continuing operations	5,314	4,399	(442)	(371)
Profit for the year	5,314	4,355	2,135	2,205
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	5,314	4,355	2,135	2,205

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20. INVESTMENT IN JOINT VENTURES (CONT'D)

(b) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

	2022			2021		
Name	Net assets Rs'000	Ownership interest %	Carrying value Rs'000	Net assets Rs'000	Ownership interest %	Carrying value Rs'000
Maref Mon Trésor Investment 1 Ltd	37,498	18.55	6,959	7,805	18.55	1,448
Maref Mon Trésor Investment 2 Ltd	41,308	20.00	1	43,065	20.00	1
Total			6,960			1,449

(i) During the financial year 2021, the directors reviewed the financial position of Maref Mon Trésor Investment 2 Ltd and an impairment of Rs 41.6 M was accounted as all the projects of the joint venture had been put on hold.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Equity investments at fair value through other comprehensive income:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1,	31	28	28	25
Change in fair value of equity instruments	-	3	-	3
At December 31,	31	31	28	28

(b) Financial assets at fair value through other comprehensive income include the following:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Quoted:				
Equity securities - [Mauritius]	26	26	26	26
Unquoted:				
Equity securities - [Mauritius]	5	5	2	2
	31	31	28	28

(c) The quoted equity securitiies have been classified within level 1 and the unquoted equity securities have been classified within level 3.

(d) The fair value of quoted equity securities is based on published market prices. The value of the unquoted equity securities approximate its fair values.

22. FINANCIAL ASSETS AT AMORTISED COST

	Non-current		Current	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
THE GROUP				
Receivable from related parties	-	-	2,627,835	2,602,304
-Other receivables	91,391	19,589	283,074	513,515
	91,391	19,589	2,910,909	3,115,819
Less: Loss allowance on financial assets at amortised cost (note 22 (a))	-	-	(2,388,530)	(2,385,532)
	91,391	19,589	522,379	730,287

	Non-current		Current	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
THE COMPANY				
Receivable from related parties	275,988	2,379,068	3,989,961	3,653,693
Other receivables	2,365	-	60,563	56,691
	278,353	2,379,068	4,050,524	3,710,384
Less: Loss allowance on financial assets at amortised cost (note 22 (a))	-	(27,294)	(3,316,012)	(3,215,389)
	278,353	2,351,774	734,512	494,995

For the Company, non-current receivables in respect of amount owed by Omnicane Agricultural Operations Limited and Omnicane Holdings (La Baraque) Thermal Energy Limited, bear interest of PLR plus 1.5% per annum (2021 - PLR plus 1.5% per annum) and fixed rate of 6.15% respectively. Following issue of shares made by Omnicane Milling Operations Limited, Omnicane Milling Holdings (Mon Trésor) Limited and Omnicane Milling Holdings (Britannia - Highlands) in December 2022, the amount owed by Omnicane Milling Operations Limited has been reduced to nil (2021: Rs 2.2 bn).

The Group and the Company recognise loss allowance in accordance with IFRS 9. There has been no change in the estimation techniques or significant assumptions made in the current reporting period. Loss allowance have been provided in full for receivables from Kwale International Sugar Company Limited as this project is going through a financial restructuring exercise which has been delayed by the covid-19 pandemic and which is still uncompleted to date. Other loss allowance recognised against other related parties is based on the financial position and performance of other related parties.

22(a) LOSS ALLOWANCE ON FINANCIAL ASSETS AT AMORTISED COST

The loss allowance for financial assets at amortised cost as at January 1, reconciles to the closing loss allowance as at December 31, as follows:

	Related parties Rs'000	Other receivables Rs'000	Total Rs'000
THE GROUP			
Loss allowance at January 1, 2021	2,326,764	48,307	2,375,071
Allowance recognised in profit or loss during the year	5,487	4,973	10,460
Loss allowance at December 31, 2021	2,332,251	53,280	2,385,531
Allowance recognised in profit or loss during the year (Note 11)	1,158	1,841	2,999
Loss allowance at December 31, 2022	2,333,409	55,121	2,388,530

	Related parties Rs'000	Other receivables Rs'000	Total Rs'000
THE COMPANY			
Loss allowance at January 1, 2021	3,137,700	29,682	3,167,382
Allowance recognised in profit or loss during the year	72,469	2,832	75,301
Loss allowance at December 31, 2021	3,210,169	32,514	3,242,683
Allowance recognised in profit or loss during the year (Note 11)	73,939	(610)	73,329
Loss allowance at December 31, 2022	3,284,108	31,904	3,316,012

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23. DEFERRED TAX LIABILITIES

Deferred income tax is calculated on all temporary differences under the liability method at 17% (2021: 17%).

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity.

The following amounts are shown on the statements of financial position:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Deferred tax liabilities	324,480	326,514	-	-

	Losses brought forward Rs'000	Losses for the year/ (Loss utilised) Rs'000	Losses carried forward Rs'000	Available for set-off up to the year ending
Year of assessment 2016/2017				
Arising from annual allowance	18,484	-	18,484	31/12/2022
Year of assessment 2017/2018				
Arising from annual allowance	16,258	-	16,258	
Other losses	203,701	(203,701)	-	31/12/2022
Year of assessment 2018/2019				
Arising from annual allowance	22,059	-	22,059	
Other losses	187,559	-	187,559	31/12/2023
Year of assessment 2019/2020				
Arising from annual allowance	1,482	-	1,482	
Other losses	49,119	-	49,119	31/12/2024
Year of assessment 2020/2021				
Arising from annual allowance	1,529	-	1,529	
Other losses	121,689	-	121,689	31/12/2025
Year of assessment 2021/2022				
Arising from annual allowance	1,521	-	1,521	
Other losses	200,579	-	200,579	31/12/2026
Year of assessment 2022/2023				
Arising from annual allowance	-	-	-	
Other losses	-	50,550	50,550	31/12/2027
	823,980	(153,151)	670,829	

(b) Tax losses

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Unused tax losses at end of the reporting year	2,427,938	2,735,478	670,829	823,980

(c) Movement on the deferred income tax account

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1	326,514	335,919	-	-
Credited to profit or loss (note 12(a))	(1,760)	(9,360)	-	-
Credited to other comprehensive income	(274)	(45)	-	-
At December 31,	324,480	326,514	-	-

(d) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity is as follows:

	Tax losses Rs'000	Retirement benefit obligations Rs'000	Accelerated tax depreciation Rs'000	Bearer biological assets Rs'000	Total Rs'000
THE GROUP					
Deferred tax liabilities/(assets)					
At January 1, 2021	(18,885)	(2,854)	351,448	6,210	335,919
Charged to profit or loss	(476)	(1,835)	(7,049)	-	(9,360)
Credited to other comprehensive income	-	5	(50)	-	(45)
At December 31, 2021	(19,361)	(4,684)	344,349	6,210	326,514
Charged to profit or loss	-	(78)	(196)	-	(274)
Credited to other comprehensive income	7,984	3,561	(13,305)	-	(1,760)
At December 31, 2022	(11,377)	(1,201)	330,848	6,210	324,480
THE COMPANY					
Deferred tax liabilities/(assets)					
At January 1, 2021	(13,279)	(43,653)	(22,617)	11,292	(68,257)
Charged to profit or loss	13,279	36,309	22,617	(11,292)	60,913
Credited to other comprehensive income	-	7,344	-	-	7,344
At December 31, 2022 and 2021	-	-	-	-	-

24. INVENTORIES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Spare parts & consumables				
- Growing	15,380	17,662	15,380	17,662
- Milling	93,018	94,282	-	-
- Energy production	1,070,839	668,537	-	-
- Ethanol and Molasses	131,215	122,609	-	-
- Others	29,352	17,087	-	-
- Inventory property	1,472,543	1,464,502	865,511	796,824
- Transfer (to)/from PPE (Note 14)	-	(3,814)	-	7,692
- Transfer (to)/from Investment property (Note 16)	-	(153,330)	-	-
- Write down of inventories	(217,762)	(212,100)	(36,695)	(35,764)
	2,594,585	2,015,435	844,196	786,414

(i) The cost of inventories recognised as expense and included under operating expenses amounted to **Rs 5,248 M** (2021: Rs 2,501 M) for the Group and **Rs 53 M** (2021: Rs 45 M) for the Company.

(ii) Inventories amounting to **Rs 2,595 M** (2021: Rs 2,015) for the Group and **Rs 844 M** (2021: Rs 786 M) for the Company have been pledged as security for borrowings.

(iii) The write down of inventories refer to morcellement and property projects which has been adjusted to net realisable value to reflect current market conditions. The charge for the year amounts to **Rs 5.66 M** for the Group (2021: Rs 34.41 M) and **Rs 0.09 M** for the Company (2021: Rs 0.06 M).

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25. CONSUMABLE BIOLOGICAL ASSETS

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
At fair value				
At January 1,	**109,288**	62,938	**71,362**	43,413
Gain arising from changes in fair value	**34,076**	46,350	**27,988**	27,949
At December 31,	**143,364**	109,288	**99,350**	71,362

Consumable biological assets represent mainly the fair value of standing canes. The fair value of standing canes has been arrived at by discounting the present value of expected net cash flows at the relevant market determined pre-tax rate. The expected cash flows have been computed by estimating the expected crop, the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct costs are based on yearly budgets.

The fair value measurements for standing canes have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

At December 31, 2022, standing canes comprised approximately **1,973 hectares** of cane plantations (2021: 1,970 hectares) for the Group and **1,519 hectares** (2021: 1,492 hectares) for the Company.

For the year 2022, the Group forecasts to harvest approximately **166,500 tons** of canes (2021: 170,700 tons) and the Company to harvest **117,500 tons** (2021: 118,200 tons).

At December 31, 2022, the most significant unobservable inputs used for the valuation of standing canes using the discounted cash flow valuation techniques are as follows:

	Range of unobservable inputs 2022	Range of unobservable inputs 2021	Sensitivity	Effect on fair value 2022	Effect on fair value 2021
THE GROUP					
Key unobservable input					
Expected Price of sugar - Rs	**22,000**	17,025	+/-5%	**+/-13,599**	+/-10,499
Estimated cane production - Tons	**166,500**	170,700	+/-5%	**+/-11,574**	+/-8,119
Average extraction rate - %	**10.20**	10.08	+/-1%	**+/-3,078**	+/-2,258
Estimated discount rate - %	**7.60**	7.60	+/-1%	**+/-151**	+/-134
THE COMPANY					
Key unobservable input					
Expected price of sugar - Rs	**22,000**	17,025	+/-5%	**+/-9,530**	+/-7,295
Estimated cane production - Tons	**117,500**	118,200	+/-5%	**+/-8,214**	+/-5,634
Average extraction rate - %	**10.28**	10.11	+/-1%	**+/-2,190**	+/-1,569
Estimated discount rate - %	**7.60**	7.60	+/-1%	**+/-107**	+/-114

The Group's and the Company Sugarcane plantations are exposed to the risk of damage from extreme weather events such as storms, high winds and drought. Changes in global climate conditions could intensify one or more of these events. Periods of drought and associated high temperatures may increase the risk of Sugarcane fires and insect outbreaks. In addition to their effects on Sugarcane yields, extreme weather events may also increase the cost of operations. The Group and the Company have extensive processes in place aimed at monitoring and mitigating these risks through proactive management and early detection. Physical risks arising from fires and drought are to a great extent subject to risk transfer and thereby within the cover of the Group's property and business interruption insurance programmes. However, should the frequency and severity of these events increase as a result of climate change, the cost of such coverage may increase.

At the Group, 80 % of the harvesting is done mechanically using specialised industrial equipment. Traditionally, the cane was burnt before harvesting to remove leaves and other wastes which could impede milling. However, as a means to reduce herbicides, sugarcane are green-harvested, thus recycling nitrogen in the plant, keeping the humidity in the soil and avoiding the growth of weeds. Since September 2019, the Group's farms at Britannia and Mon Trésor along with its sugar factory and the distillery have all been successfully certified to Bonsucro's Production and Chain of Custody standards by SGS Global Services. With this certification, Omnicane becomes the first company in Mauritius and the African region to be Bonsucro certified.

In line with the Bonsucro implementation, a major achievement has been to reduce herbicides application rate to the core requirement of less than 5 kg active ingredient per hectare. Indeed, as at end December 2022, both Mon Trésor and Britannia recorded a combined herbicides application result of 2.31 kg active ingredient per hectare (2021: 3.0 kg a.i/hectare). This enabled us not only to be Bonsucro compliant but also further minimize the risk of herbicide runoff, surface and underground water contamination. In addition, Omnicane Agriculture has also optimised their fertilizer application by applying granular urea for nitrogen requirements while adopting a mix of bagasse ash and Concentrated Molasses Stillage provided an organic source of potassium requirements for their plantation. This has enabled them to considerably reduce their fertilizers cost.

26. TRADE RECEIVABLES

	THE GROUP 2022 Rs'000	THE GROUP Restated 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Trade Receivables (Note 26(a))	**2,264,261**	607,257	**63,359**	85,253
- Effect of prior year adjustments (Note 46)	**-**	232,149	**-**	-
- As restated	**2,264,261**	839,406	**63,359**	85,253
Loss allowance	**(1,143)**	(1,143)	**-**	-
	2,263,118	838,263	**63,359**	85,253

(a) The average credit period on sales for the Group and the Company is 94 and 30 days respectively. No interest is charged on outstanding trade receivables. Trade receivables represent mainly electricity, steam, ethanol and sugar proceeds receivable. The sugar proceeds receivable are paid by the Mauritius Sugar Syndicate (MSS) as and when proceeds are received. Advances on sugar proceeds are paid on a weekly basis during crop period and the final settlement for the crop year is made at latest in July of the following year. Refined sugar become receivable as and when the Group invoices the MSS.

Electricity, refined sugar and ethanol proceeds receivable are generally paid within one month.

The Group and the Company measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The loss allowance is assessed on an individual basis and is based on the current financial position and financial performance of the debtor, taking into consideration the history of receipt from the debtor, contracts and any guarantee provision. There has been no change in estimation techniques or significant assumptions made during the current reporting period. The ECL is on these trade receivables are not material and management has not recognised any ECL as at December 31, 2022 and December 31, 2021. The loss allowance as at reporting date related to specific provision made on.

	Loss allowances Rs'000
THE GROUP	
Loss allowance at January 1, 2021	2,110
Allowance recognised in profit or loss during the year	(967)
Loss allowance at December 31, 2021	1,143
Allowance recognised in profit or loss during the year	-
Loss allowance at December 31, 2022	**1,143**

27. NON-CURRENT ASSETS HELD FOR SALE

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
At January 1,	**1,868,883**	-	**1,868,883**	-
Transfer from Property, Plant and Equipment (Note 14)	**35,348**	1,868,883	**32,778**	1,868,883
Disposals	**(1,868,883)**	-	**(1,868,883)**	-
At December 31,	**35,348**	1,868,883	**32,778**	1,868,883

The fair value of the property has been assessed by the directors on the basis of its recent disposal proceeds received being the amount for which the properties have been exchanged between knowledgeable willing parties. The directors are of the opinion that the carrying amount represent the fair value of the properties as at December 31, 2022. During the financial year end 2021, freehold land has been disposed for a total consideration of Rs 2.0 Bn.

28. SHARE CAPITAL

	THE GROUP AND THE COMPANY 2022 and 2021 Rs'000
Issued and Fully paid	
67,012,404 ordinary shares of Rs.7.50 each	**502,593**

The total authorised number of ordinary shares is **67,012,404 shares** (2021: 67,012,404) with a par value of **Rs.7.50** per share (2021: Rs.7.50). All issued shares are fully paid.

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29. REVALUATION AND OTHER RESERVES

	Revaluation reserve Rs'000	Financial assets at FVOCI reserve Rs'000	Actuarial reserve Rs'000	Translation reserve Rs'000	Owners' interests Rs'000
THE GROUP					
At January 1, 2022	**5,414,646**	**18**	**(137,530)**	**34,637**	**5,311,771**
Remeasurement of defined benefit obligations	**-**	**-**	**44,515**	**-**	**44,515**
Deferred tax effect on remeasurements of defined benefit obligations	**-**	**-**	**165**	**-**	**165**
Currency translation differences	**-**	**-**	**-**	**(1,957)**	**(1,957)**
Decrease in value of land conversion rights	**(36,444)**			**-**	**(36,444)**
Transfer from revaluation reserve to retained earnings	**(1,860,764)**	**-**	**-**	**-**	**(1,860,764)**
At December 31, 2022	**3,517,438**	**18**	**(92,850)**	**32,680**	**3,457,286**
At January 1, 2021	6,926,228	15	(280,802)	23,100	6,668,541
Remeasurement of defined benefit obligations	-	-	143,248	-	143,248
Increase in fair value of investments	-	3	-	-	3
Deferred tax effect on remeasurements of defined benefit obligations	-	-	24	-	24
Currency translation differences	-	-	-	11,537	11,537
Increase in value of land conversion rights	22,770	-	-	-	22,770
Adjustment during the year	(1,308)	-	-	-	(1,308)
Transfer from revaluation reserve to retained earnings	(1,533,044)	-	-	-	(1,533,044)
At December 31, 2021	5,414,646	18	(137,530)	34,637	5,311,771

	Revaluation reserve Rs'000	Financial assets at FVOCI reserve Rs'000	Actuarial reserve Rs'000	Total Rs'000
THE COMPANY				
At January 1, 2022	**6,473,175**	**18**	**(103,901)**	**6,369,292**
Remeasurement of defined benefit obligations (Note 32)	**-**	**-**	**27,908**	**27,908**
Decrease in value of land conversion rights (Note 17(b))	**(17,507)**	**-**	**-**	**(17,507)**
Transfer from revaluation reserve to retained earnings	**(1,860,345)**	**-**	**-**	**(1,860,345)**
At December 31, 2022	**4,595,323**	**18**	**(75,993)**	**4,519,348**
At January 1, 2021	6,523,690	15	(178,043)	6,345,662
Remeasurement of defined benefit obligations (Note 32)	-	-	74,142	74,142
Increase in fair value of investment (Note 21(a))	-	3	-	3
Transfer from revaluation reserve to retained earnings	(61,454)	-	-	(61,454)
Increase in value of land conversion rights (Note 17(b))	10,939	-	-	10,939
At December 31, 2021	6,473,175	18	(103,901)	6,369,292

Revaluation reserve

The revaluation reserve relates to the surplus on revaluation of land and land conversion rights.

Financial assets at FVOCI reserve

It represents the cummulative fair value movement for financial assets measured at fair value through other comprehensive income.

Actuarial reserve

The actuarial reserve represents the cumulative remeasurement of defined benefit obligations recognised in other comprehensive income.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

30. BORROWINGS

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Non-current				
Bank loans (Note 30(a))	**3,908,880**	2,111,331	**1,770,000**	197,500
Private placement (Note 30(d))	**-**	2,229,579	**-**	2,229,579
	3,908,880	4,340,910	**1,770,000**	2,427,079
Current				
Bank overdrafts (Note 30(b))	**739,340**	1,181,801	**433,914**	887,343
Bank loans (Note 30(a))	**695,074**	1,978,327	**75,000**	590,413
Import loans (Note 30(c))	**1,678,685**	590,860	**-**	-
	3,113,099	3,750,988	**508,914**	1,477,756
Total borrowings	**7,021,979**	8,091,898	**2,278,914**	3,904,835

(a) Bank loans

The bank loans are secured by floating charges on the Group's and the Company's assets, including property, plant and equipment (Note 14). The rates of interest on these loans vary between 1.16% and 8.98% (2021: 1.16% and 6.75%) for the Group and between 4.40% and 7.40% (2021: 3.95% and 6.75%) for the Company.

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
The maturity of non-current bank loans are as follows:				
- After one year and before two years	**622,117**	738,778	**215,754**	122,500
- After two years and before five years	**1,217,890**	852,719	**673,418**	75,000
- After five years	**2,068,873**	519,834	**880,828**	-
	3,908,880	2,111,331	**1,770,000**	197,500

(b) Bank overdrafts

All bank overdrafts are secured by floating charges on the Group's and the Company's assets. The rates of interest on bank overdrafts vary between 3.85% and 6.90% at year end (2021: 3.85% and 5.75%) for the Group and between 4.10% and 6.90% (2021: 3.10% and 5.35%) for the Company.

(c) Import loans

The import loans are in USD: LIBOR (floored at zero) plus a margin of 1.85% - 2% is being charged in daily debit balances. The import loans are secured by floating charges on the assets of the Group and repayable within 120 days. These have been fully repaid subsequent to the year end.

(d) Private placement

	THE GROUP AND THE COMPANY 2022 Rs'000	THE GROUP AND THE COMPANY 2021 Rs'000
- Between one and two years	**-**	2,229,579

During the financial year 2022, the private placement amounting to Rs 2.2 bn have been repaid.

(e) All rupee denominated bank overdrafts and bank borrowings bear interest rates which can fluctuate anytime when the banks modify their Prime Lending Rates based on the Bank of Mauritius' Repo rate. Euro denominated bank borrowings bear fixed and floating interest rates.

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30. BORROWINGS (CONT'D)

(f) The carrying amount of the Group's and the Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Mauritian Rupee	4,256,543	6,210,013	2,278,914	3,904,835
Euro	217,491	776,579	-	-
GBP	-	110,649	-	-
USD	2,547,945	994,657	-	-
	7,021,979	8,091,898	2,278,914	3,904,835

(g) The carrying amount of borrowings are not materially different from the fair value.

(h) The effective interest rates at the date of the statement of financial position were as follows:

	2022		2021	
	Rs. %	Euro, GBP & USD %	Rs. %	Euro, GBP & USD %
THE GROUP				
Bank loans	4.85 - 7.90	1.16 - 8.98	1.50 - 6.75	1.16 - 5.00
Bank overdrafts	3.85 - 6.90	N/A	3.85 - 5.75	N/A
Short-term loan	N/A	N/A	3.95 - 6.75	N/A
Lease liabilities	4.75 - 8.25	N/A	4.75 - 8.25	N/A
Private placement	N/A	N/A	6.40	N/A

	2022		2021	
	Rs. %	GBP %	Rs. %	GBP %
THE COMPANY				
Bank loans	4.40 - 6.90	N/A	3.95 - 6.75	N/A
Bank overdrafts	4.10 - 6.90	N/A	3.85 - 5.15	N/A
Short-term loan	N/A	N/A	3.95 - 6.75	N/A
Loan from related party	3.60 - 5.60	N/A	3.60 - 5.60	N/A
Lease liabilities	4.25 - 6.25	N/A	4.25 - 6.25	N/A
Private placement	N/A	N/A	6.40%	N/A

31. LEASE LIABILITIES

	Land and buildings Rs'000	Plant machinery and motor vehicles Rs'000	Total Rs'000
THE GROUP			
At January 1, 2021	251,443	94,185	345,628
Additions	3,030	59,437	62,467
Loss on exchange	9,245	-	9,245
Lease payments	(14,650)	(33,815)	(48,465)
At December 31, 2021	249,068	119,807	368,875
Additions	2,913	46,188	49,101
Loss on exchange	(2,790)	-	(2,790)
Lease payments	(18,825)	(37,431)	(56,256)
At December 31, 2022	230,366	128,564	358,930
THE COMPANY			
At January 1, 2021	203,026	10,670	213,696
Additions	-	1,189	1,189
Loss on exchange	13,603	-	13,603
Lease payments	(15,290)	(5,504)	(20,794)
At December 31, 2021	201,339	6,355	207,694
Additions	-	-	-
Loss on exchange	(2,790)	-	(2,790)
Lease payments	(14,978)	(3,053)	(18,031)
At December 31, 2022	183,571	3,302	186,873

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Maturity analysis				
Year 1	85,874	77,698	55,922	34,509
Year 2	96,796	73,485	55,259	34,201
Year 3	84,108	65,767	55,586	33,693
Year 4	76,831	54,087	56,329	34,023
Year 5	68,126	44,436	57,168	34,814
Onwards	295,344	320,797	164,786	191,695
	707,079	636,270	445,050	362,935
Less unearned interest	(348,147)	(267,395)	(258,177)	(155,241)
Total lease liabilities	358,932	368,875	186,873	207,694

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Current	60,658	78,437	23,584	22,513
Non-current	298,274	290,438	163,289	185,181
	358,932	368,875	186,873	207,694

The Group and the Company do not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored by the treasury department.

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32. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Amounts recognised in the statements of financial position as non-current liabilities:				
-Pension benefits (Note 32(a)(ii))	311,315	368,047	159,856	191,255

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Amount charged to profit or loss:				
-Pension benefits (Note 32(a)(v))	24,210	25,193	11,209	13,084
Amount charged/(credited) to other comprehensive income:				
-Pension benefits (Note 32(a)(vi))	(48,161)	(160,042)	(27,908)	(74,142)

(a) Pension benefits

The Group and the Company operate a final salary defined benefit pension or retirement plan for some employees and any plan assets are held separately from the Group and the Company. The assets of the plan are invested in unitised funds held within the SIPF. Other post retirement benefits relate mainly to gratuities on death and on retirement that are based on length of service and salaries at date of death and retirement.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligations were carried out at December 31, 2022 by AON Hewitt Ltd (Actuarial Valuer). The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The pension plans typically expose the Group and the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Longevity risk - The liabilities disclosed are based on mortality tables A and PA 67/70 (92). If the experience of the pension plan is less favorable than the standard mortality tables, the liability will increase.

Interest rate risk - If bond yields decline, the liability would be calculated using a lower discount rate and would therefore increase.

Investment risk - The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

Salary risk - If salary increases are higher than anticipated in our assumptions, the liabilities would increase giving rise to actuarial losses.

The Group and the Company expect to make a contribution of Rs 41 M and Rs 21 M respectively to the pension plan during the year 2023.

(ii) Reconciliation of retirement benefit obligations:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1,	368,047	538,069	191,255	271,187
Charged to profit or loss	24,210	25,193	11,209	13,084
Credited to other comprehensive income	(48,161)	(160,042)	(27,908)	(74,142)
Contributions paid	(32,781)	(35,173)	(14,700)	(18,874)
At December 31,	311,315	368,047	159,856	191,255

(iii) Movements in the defined benefit obligations:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1,	789,721	933,821	399,798	468,117
Current service cost	10,236	11,713	3,260	3,925
Employee contributions	448	876	245	347
Interest cost	32,052	23,433	15,883	11,734
Past service cost	(570)	33	403	2,357
Benefits paid	(52,843)	(63,430)	(25,455)	(33,824)
Liability experience (gains)/losses	24,211	(8,947)	14,690	(3,193)
Actuarial losses due to change in financial assumptions	(96,114)	(107,778)	(54,673)	(49,665)
At December 31,	707,141	789,721	354,151	399,798

(iv) Movements in the fair value of plan assets of the year:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At January 1,	421,674	395,752	208,543	196,930
Interest income	17,522	10,479	8,337	4,932
Return on plan assets excluding interest income	(23,138)	43,317	(12,075)	21,284
Employer contributions	32,866	34,680	14,700	18,874
Employee contributions	448	876	245	347
Benefits paid	(52,843)	(63,430)	(25,455)	(33,824)
At December 31,	396,529	421,674	194,295	208,543

(v) Amounts recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Current service cost	10,236	11,713	3,260	3,925
Past service cost	(570)	33	403	2,357
Net interest on net defined benefit liability	14,544	13,447	7,546	6,802
Total included in employee benefit expense	24,210	25,193	11,209	13,084

(vi) The amounts recognised in other comprehensive income are:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Liability experience (gains)/losses	24,211	(8,947)	14,690	(3,193)
Actuarial gains arising from changes in financial assumptions	(96,114)	(107,778)	-	-
Actuarial losses arising from changes in financial assumptions	-	-	(54,673)	(49,665)
	(71,903)	(116,725)	(39,983)	(52,858)
Change in effect of asset ceiling	604	-	-	-
Return on plan assets excluding interest income	23,138	(43,317)	12,075	(21,284)
Liability gains due to change in demographic assumptions	(48,161)	(160,042)	(27,908)	(74,142)

(vii) The assets of the plan are invested in equities, fixed interest bonds and bank deposits. The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields at the end of the reporting period. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

(viii) The weighted average duration of the defined benefit obligations at the end of the reporting period for the Group is between 7 to 29 years and for the Company 7 years.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

32. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension benefits (cont'd)

(ix) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2022 %	2021 %	2022 %	2021 %
Discount rate	7.35	5.25	6.30	4.10
Future salary increases	4.60	3.05	3.00	3.00
Average retirement age (ARA)	62	62	60	60

Sensitivity analysis on defined benefit obligations at end of the reporting date:

The sensitivity analysis below has been carried out by recalculating the present value of obligation at the year end after increasing or decreasing the actuarial assumptions below while leaving all other assumptions unchanged. The sensitivity analysis presented may not be representative of the actual change in the defined benefit liability as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Increase in defined benefit obligation due to 1% increase in discount rate	61,999	81,166	27,109	36,907
Decrease in defined benefit obligation due to 1% increase in discount rate	52,880	67,759	23,473	31,341

33. PAYABLE TO RELATED PARTIES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Non - Current				
Subsidiaries of holding company	-	-	191,917	-
Current				
Subsidiary companies	-	-	504,618	506,284
Subsidiaries of holding company	121,906	177,364	62,596	111,529
	121,906	177,364	567,214	617,813

The amount payable to related parties are interest bearing and these amounts are repayable on demand.

34. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Trade payables	1,381,101	1,079,258	50,301	124,718
Other payables and accrued expenses	1,041,889	1,080,880	200,589	289,265
Deposit on sale of land	691,378	781,088	559,191	647,596
	3,114,368	2,941,226	810,081	1,061,579

The carrying amounts of trade and other payables approximate their fair values.

Trade payables and accruals principally comprise amounts outstanding for the trade purchases and ongoing costs. The average credit period taken for trade purchases for the Group and the Company is 95 days and 40 days respectively. No interest is charged on the trade creditors from the date of invoice by the supplier for the Group and the Company. The Group and the Company have financial risk management policies in place to ensure that all payables are paid within the credit terms.

35. NON-CONTROLLING INTERESTS

	THE GROUP	
	2022 Rs'000	2021 Restated Rs'000
At January 1,		
- As previously reported	829,504	780,819
- Effect of prior year adjustments	78,931	(5,223)
- As restated	908,435	775,596
Total comprehensive income for the year:		
- Profit for the year	195,111	116,711
- Other comprehensive (loss)/income for the year	(8,870)	24,703
Contribution by non-controlling interest	-	19,425
Dividends declared by subsidiaries to non-controlling interests	(60,000)	(28,000)
At December 31,	1,034,676	908,435

36. DIVIDENDS

No dividend was declared and paid to the shareholders during the year (2021:nil)

37. NOTES TO THE STATEMENTS OF CASH FLOWS

		THE GROUP		THE COMPANY	
	Notes	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
(a) Cash generated from/(used in) operations before working capital changes:					
Profit/(loss) before taxation		627,293	(444,220)	167,660	87,251
Adjustments for:					
Depreciation of property, plant and equipment	14	494,463	484,237	19,889	38,252
Depreciation of right-of-use assets	15	49,164	49,014	26,001	25,859
Amortisation of intangible assets	17	23,348	21,327	-	21
Disposal of discontinued operations	43	-	(128,859)	-	-
Impairment of investment in associates	19	-	-	-	952
Impairment of investment in joint ventures	20	-	41,567	-	-
Impairment of property, plant and equipment	14	2,662	170,628	-	2,825
Impairment of intangible assets	17	46,193	-	5,100	-
Impairment of inventories	24(iii)	5,662	34,409	931	66
Impairment of financial assets at amortised cost	22	2,999	10,460	73,329	75,301
Impairment of non-current assets held for sale	23	-	-	(610)	-
Assets written off	14	-	28,858	-	24,765
Movement in provision for retirement benefit obligations		(56,732)	(9,980)	8,875	(5,790)
Dividend income	8	-	-	(89,000)	(130,000)
Interest income	8	(7,347)	(8,049)	(149,785)	(138,206)
Interest expense	9	417,389	642,010	179,830	397,151
Share of results of associates	19	(1,971)	(212)	-	-
Share of results of joint ventures	20	(5,511)	(862)	-	-
Profit on sale of land	10	270,849)	(213,182)	270,849)	(213,182)
Profit on sale of investment in subsidiary	10	-	-	-	(114,030)
Loss on sale of investment property	10	-	379,535	-	-
Recognition of additional land conversion rights		(97,239)			
Profit on sale of property, plant and equipment	6	3,210	(9,484)	(892)	(682)
Profit on disposal of land conversion rights	6	(23,234)	(11,950)	-	-
Gain in fair value of consumable biological assets	25	- (34,076)	(46,350)	(27,988)	(27,949)
Cash generated from/(used in) operations before working capital changes		1,175,424	988,897	(57,509)	22,604
(b) Working capital requirements comprise:					
Inventories		(486,071)	(391,613)	36,193	(19,213)
Trade receivables		(1,654,717)	(60,512)	21,284	(31,025)
Receivable from financial assets at amortised costs		435,862	361,369	(276,343)	92,103
Trade and other payables		301,705	227,418	(176,752)	(22,251)
Payable to related parties		(55,458)	(62,626)	(14,797)	(24,407)
Total working capital requirements		(1,458,679)	74,036	(410,415)	(4,793)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

37. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(c) Reconciliation of liabilities arising from financing activities

	At January 1, 2022 Rs'000	Cash outflows Rs'000	Cash inflow Rs'000	Foreign exchange movement Rs'000	At December 31, 2022 Rs'000
THE GROUP					
Bank loans	4,089,658	(3,004,186)	2,945,427	(18,127)	4,012,772
Import loans	590,860	-	1,679,007	-	2,269,867
Lease liabilities	368,875	(58,560)	48,617	-	358,932

	At January 1, 2021 Rs'000	Cash outflows Rs'000	Cash inflow Rs'000	Foreign exchange movement Rs'000	At December 31, 2021 Rs'000
THE GROUP					
Bank loans	5,279,755	(1,752,125)	427,185	134,843	4,089,658
Import loans	76,106	-	514,754	-	590,860
Lease liabilities	345,628	(35,386)	58,633	-	368,875

	At January 1, 2022 Rs'000	Cash outflows Rs'000	Cash inflow Rs'000	Foreign exchange movement Rs'000	At December 31, 2022 Rs'000
THE COMPANY					
Bank loans	787,987	(812,987)	1,870,000	-	1,845,000
Lease liabilities	207,694	(20,822)	-	-	186,872

	At January 1, 2021 Rs'000	Cash outflows Rs'000	Cash inflow Rs'000	Foreign exchange movement Rs'000	At December 31, 2021 Rs'000
THE COMPANY					
Bank loans	1,403,111	(1,911,497)	1,278,600	17,773	787,987
Lease liabilities	213,696	(20,794)	1,189	13,603	207,694

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and balances with banks and bank overdrafts. Cash and cash equivalents are represented by:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Cash in hand and at bank	436,611	494,831	6,878	152,527
Bank overdrafts (note 30(b))	(739,340)	(1,181,801)	(433,914)	(887,343)
	(302,729)	(686,970)	(427,036)	(734,816)

38. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Capital expenditure approved by the Board:				
- not contracted	83,302	47,482	-	-
- contracted	96,756	566,912	86,232	166,562
	180,058	614,394	86,232	166,562

39. CONTINGENT LIABILITIES

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Bank and other guarantees				
Bank guarantee	784,198	759,635	784,198	759,635
Corporate guarantee	2,336,966	2,560,923	1,959,756	2,183,206
Government guarantee	53,000	43,100	-	-
Performance bond	645	441	-	-
Money guarantee	945	94,608	-	-
	3,175,754	3,458,707	2,743,954	2,942,841

At December 31, 2022, the Group and the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities would arise.

The Group and Company provided financial guarantee, under the Sponsor Support Agreement (the "SSA") entered between the associate, Kwale International Sugar Company Ltd ("KISCOL") and its lenders June 7, 2016. The maximum exposure of the Group and the Company under the SSA was USD 4 M, out of which the Group and the Company has already paid in USD 3.2 M and USD 0.7 M was advanced as subordinated shareholder loan to KISCOL. Management have assessed that, as at December 31, 2022, except for USD 50,000 (MUR 2.1 M) which have been recognised in these financial statements, their obligations under the SSA has extinguished.

40. EVENTS AFTER THE REPORTING PERIOD

There have been no material events after the reporting date which would require disclosure or adjustments in the financial statements for the year ended 31 December 2022.

41 HOLDING COMPANY

The holding company is Omnicane Holdings Limited, a Company incorporated in Mauritius.

42. DISPOSAL OF SUBSIDIARY

As referred to in note 18, on June 7, 2021 the Group disposed of its interest in Mon Trésor Smart City Ltd.

The net assets of Mon Trésor Smart City Ltd at the date of disposal were as follows:

	2021 Rs'000
Investment properties	2,792,433
Other receivables	1,646
Bank balances	240
Other payables	(137)
Net assets disposed of	2,794,182
Loss on disposal	(379,535)
Total consideration	2,414,647

There were no disposal of subsidiaries made in 2022.

The sales consideration was settled in cash, refer to note 18 for more details.

The impact of the subsidiary on the Group's results is disclosed in note 43.

The loss on disposal is included in other non-operating income/(expense) (refer to note 10).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

43. DISCONTINUED OPERATIONS

On June 7, 2021, the Group entered into an agreement with the Mauritius Investment Corporation (MIC) to dispose of Mon Trésor Smart City Ltd, a wholly-owned subsidiary, which carried out the Group's property development operations. The disposal was completed in order to generate cash flows to repay its Rs 1.15 bn bonds which matured in June 2021, early repayment of its bonds of Rs 0.30 bn and Rs 0.44 bn maturing in 2022 and 2023 respectively and part repayment of a term loan amounting to Rs 0.36 bn. The disposal was completed on June 9, 2021, date on which control of Mon Trésor Smart City Ltd passed to the acquirer. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are disclosed in note 45.

The results of the discontinued operations, which have been included in the profit for the year is as follows:

	2021 Rs'000
Revenue	-
Expenses	-
Operating loss	-
Fair value loss on investment properties	(132,890)
Impairment of assets and allowance for credit losses	-
Finance costs	-
Other non-operating income	4,031
Loss before taxation	(128,859)
Income tax charge	-
Loss on discontinued operations	(128,859)

44. RELATED PARTY TRANSACTIONS

(a) THE GROUP

	(Purchase)/sale of supplies and services		Interest (expense)/ income		Amount due to		Amount due from	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Holding company	-	-	-	-	-	-	974	409
Associated companies	-	-	-	-	-	-	3,368	9,616
Subsidiaries of holding company	(222,186)	(158,037)	(8,847)	(8,910)	148,947	177,188	86,908	4,070
Companies with common directors	(21,001)	(18,339)	-	-	-	-	152,890	202,677
	(243,187)	(176,376)	(8,847)	(8,910)	148,947	177,188	244,140	216,772

(b) THE COMPANY

	(Purchase)/sale of supplies, services and assets		Interest (expense)/ income		Dividend income		Amount due to		Amount due from	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Holding company	566	-	-	-	-	-	-	-	974	409
Subsidiary companies	(7,500)	59,846	120,817	235,676	89,000	89,000	696,535	506,284	860,112	2,653,652
Associated companies	12,612	2,593	-	-	-	-	-	-	2,833	8,772
Subsidiaries of holding company	(13,756)	(26,031)	(7,581)	(36,028)	-	-	62,596	111,529	86,018	-
Companies with common directors	1,016	1,104	-	7,169	-	-	-	-	489	160,168
	(7,062)	37,512	113,236	206,817	89,000	89,000	759,131	617,813	950,426	2,823,001

Terms and conditions of the above related party transactions are disclosed in their respective notes.

There has been no guarantees provided or received for any related party receivables or payables.

(c) KEY MANAGEMENT PERSONNEL COMPENSATION

	THE GROUP		THE COMPANY	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
Short-term benefits	66,610	66,208	5,402	2,505
Post-employment benefits	5,594	6,715	374	235
	72,204	72,923	5,776	2,740

45. SEGMENT INFORMATION

The Group is organised into the following main business segments:

	Agro-Industry		Energy		Properties		Retail & Brands		Total	
	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000
Primary reporting format-business segments										
Segment revenue	2,304,582	1,956,064	6,339,614	3,596,164	-	-	121,218	73,739	8,765,414	5,625,967
Segment operating profit/ (loss)	281,436	240,263	584,430	510,895	(92,188)	(93,299)	(65,282)	(44,564)	708,396	613,295
Impairment of assets & allowances for credit losses									(57,516)	(258,275)
Investment income									7,347	8,049
Finance costs									(417,389)	(642,010)
Other non-operating income/(expense)									378,973	(166,353)
Share of results in associates									1,971	212
Share of results in joint ventures									5,511	862
Profit/(loss) before taxation									627,293	(444,220)
Taxation									(58,769)	(86,791)
Profit/(loss) for the year from continuing operations									568,524	(531,011)
Loss for the year from discontinued operations									-	(128,859)
Profit/(loss) for the year									568,524	(659,870)
Non-controlling interests									195,111	116,711
Profit/(loss) attributable to owners of the parent									373,413	(776,581)

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

45. SEGMENT INFORMATION (CONT'D)

	Agro-Industry		Energy		Properties		Retail & Brands		Total	
	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000	2022 Rs'000	Restated 2021 Rs'000
Segment assets	8,712,238	10,805,949	9,069,749	7,576,006	460,332	357,587	471,374	484,430	18,713,693	19,223,972
Associates									13,108	11,137
Joint Ventures									6,960	1,449
									18,733,761	19,236,558
Segment liabilities	1,067,261	3,755,268	8,734,222	7,241,375	719,785	608,832	785,814	710,337	11,307,082	12,315,812
Owners' interests									6,392,003	6,012,311
Non-controlling interests									1,034,676	908,435
									18,733,761	19,236,558
Investment income	7,347	8,038	-	11	-	-	-	-	7,347	8,049
Interest expense	221,892	426,923	181,824	101,944	4,769	1,056	18,050	15,687	426,535	545,610
Impairment of assets & allowance for credit losses	10,144	12,383	958	170,657	46,193	75,235	221	-	57,516	258,275
Capital expenditure - Property, plant and equipment	91,037	28,641	153,279	338,516	-	1,144	1,616	14,546	245,932	382,847
Depreciation - Property, plant and equipment	205,854	220,441	270,217	245,489	393	522	17,999	17,785	494,463	484,237

46. EFFECT OF PRIOR YEAR ADJUSTMENTS

During the year ended December 31, 2022, an agreement was reached with Central Electricity Board and an addendum to the Power Purchase Agreement ("Annual Fuel Charge Reconciliation Agreement" was drafted on the revised method of calculating the coal portion of the Annual Energy Charges Adjustment as from 2008 Contract Year. Accordingly, a revenue of Rs 232 M has been recognised in the year ended December 31, 2021 representing the adjustment from 2008 Contract Year to 2021 Contract Year.

Accordingly, the comparative statement of financial position and statement of changes in equity line items have been restated as follows:

	As previously reported Rs'000	Prior year adjustments Rs'000	Restated balance Rs'000
December 31, 2021			
Impact on statement of financial position			
Trade receivables	606,113	232,149	838,262
Accumulated losses	(212,899)	118,396	(94,503)
Non-controlling interests	829,504	78,931	908,435
Current tax liabilities	7,066	37,127	44,193
January 01, 2021			
Trade receivables	795,077	(15,363)	779,714
Accumulated losses	(844,364)	(7,835)	(852,199)
Non-controlling interests	780,819	(5,223)	775,596
Current tax liabilities	16,409	(2,304)	14,105

	As previously reported Rs'000	Prior year adjustments Rs'000	Restated balance Rs'000
December 31, 2021			
Impact on statements of profit or loss and other comprehensive income			
Revenue	5,378,455	247,512	5,625,967
Income tax charge	(49,644)	(37,127)	(86,771)
Profit for the year	(870,255)	210,385	(659,870)


We value
ENDURANCE

ANNEX 1

About this Report

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Scope, Boundary and Reporting Cycle

Omnicane Limited's Integrated Report 2022 provides material information relating to our strategy and business model, operating context, material risks, stakeholder interests, performance, prospects and governance. Unless otherwise stated, all performance data relates to the 12-month period ended December 31, 2022. The significant change which occurred in the organisation can be found on page 21 of this report.

Reporting Principles

Omnicane has applied the principles contained in the International Financial Reporting Standards (IFRS), the National Code of Corporate Governance for Mauritius 2016 and the Stock Exchange of Mauritius Listing Rules. This report is written in accordance with the GRI Standards. The International <IR> Framework of the International Integrated Reporting Council (IIRC) has also been used as reference.

Materiality Process

3-1

As per the requirements of the new GRI Standards 2021, the list of material topics for Omnicane was updated in February 2023, following several consultative meetings with Top Management. The list of updated material topics and the methodology adopted can be found on page 8 of this report.

Cross-Referencing with GRI Standards

The content of this Integrated Report has been cross-referenced with respect to the different disclosures of the GRI Standards, for example, when reporting on GHG emissions, it has been cross-referenced **305-1**.

External Audit

2-4

An independent audit of the Group's annual financial statements was performed by RSM (Mauritius).

Forward-Looking Statements

This report contains certain forward-looking statements with respect to Omnicane's financial condition, results, operations and businesses. These statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that will occur in the future.

ANNEX 2

GRI CONTENT INDEX ESSENTIALS SERVICE 2023

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI Content Index

Statement of use	Omnicane Limited has reported in accordance with the GRI Standards for the period 01st January to 31st December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE		LOCATION	OMISSION: REQUIREMENT(S) OMITTED	OMISSION: REASON	OMISSION: EXPLANATION	GRI SECTOR STANDARD REF. NO.
General disclosures							
GRI 2: General Disclosures 2021	2-1	Organizational details	Pg 6, 109	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2	Entities included in the organization's sustainability reporting	Pg 72				
	2-3	Reporting period, frequency and contact point	Pg 109				
	2-4	Restatements of information	Pg 109				
	2-5	External assurance	Pg 109				
	2-6	Activities, value chain and other business relationships	Pg 19				
	2-7	Employees	Pg 49				
	2-8	Workers who are not employees	Omitted		Confidentiality constraints	Owing to Data Protection regulations	
	2-9	Governance structure and composition	Pg 52, 53				
	2-10	Nomination and selection of the highest governance body	Pg 53				
	2-11	Chair of the highest governance body	Pg 54				
	2-12	Role of the highest governance body in overseeing the management of impacts	Pg 54				
	2-13	Delegation of responsibility for managing impacts	Pg 54				
	2-14	Role of the highest governance body in sustainability reporting	Pg 54				
	2-15	Conflicts of interest	Pg 56				
	2-16	Communication of critical concerns	Pg 54				
	2-17	Collective knowledge of the highest governance body	Pg 53				
	2-18	Evaluation of the performance of the highest governance body	Pg 59				
	2-19	Remuneration policies	Pg 59				
	2-20	Process to determine remuneration	Pg 59				

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General disclosures							
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	Omitted		Confidentiality constraints	Owing to Data Protection regulations	
	2-22	Statement on sustainable development strategy	Pg 40				
	2-23	Policy commitments	Pg 35				
	2-24	Embedding policy commitments	Pg 35				
	2-25	Processes to remediate negative impacts	Pg 38				
	2-26	Mechanisms for seeking advice and raising concerns	Pg 49				
	2-27	Compliance with laws and regulations	Pg 59				
	2-28	Membership associations	Pg 64				
	2-29	Approach to stakeholder engagement	Pg 48				
	2-30	Collective bargaining agreements	Pg 49				
Material topics							
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Pg 8	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2	List of material topics	Pg 8				
Economic performance							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 22				
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Pg 28				
	201-2	Financial implications and other risks and opportunities due to climate change	Pg 45				
	201-3	Defined benefit plan obligations and other retirement plans	Pg 85				
	201-4	Financial assistance received from government	Pg 86				
Market presence							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 6				
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Omitted		Confidentiality constraints	Owing to Data Protection regulations	
	202-2	Proportion of senior management hired from the local community	Pg 6				
Indirect economic impacts							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 79				
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Pg 79				
	203-2	Significant indirect economic impacts	Pg 87				
Procurement practices							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 51				
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Pg 51				
Anti-corruption							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 59				

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Material topics							
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Pg 59				
	205-2	Communication and training about anti-corruption policies and procedures	Pg 59				
	205-3	Confirmed incidents of corruption and actions taken	Pg 59				
Anti-competitive behavior							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 59				
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Pg 59				
Materials							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 42				
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Pg 42, 43				
	301-2	Recycled input materials used	Pg 43				
	301-3	Reclaimed products and their packaging materials	Pg 43				
Energy							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 44				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Pg 44				
	302-2	Energy consumption outside of the organization	Pg 44				
	302-3	Energy intensity	Pg 44				
	302-4	Reduction of energy consumption	Pg 44				
	302-5	Reductions in energy requirements of products and services	Pg 44				
Water and effluents							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 45				
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Pg 45				
	303-2	Management of water discharge-related impacts	Pg 45				
	303-3	Water withdrawal	Pg 45				
	303-4	Water discharge	Pg 47				
	303-5	Water consumption	Pg 45				

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Material topics							
Emissions							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 46				
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Pg 46				
	305-2	Energy indirect (Scope 2) GHG emissions	Pg 46				
	305-3	Other indirect (Scope 3) GHG emissions	Omitted		Information unavailable	Carbon footprint exercise to be done by mid 2023	
	305-4	GHG emissions intensity	Omitted		Information unavailable	Carbon footprint exercise to be done by mid 2023	
	305-5	Reduction of GHG emissions	Pg 46				
	305-6	Emissions of ozone-depleting substances (ODS)	Pg 46				
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Pg 46				
Waste							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 47				
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Pg 47				
	306-2	Management of significant waste-related impacts	Pg 47				
	306-3	Waste generated	Pg 47				
	306-4	Waste diverted from disposal	Pg 47				
	306-5	Waste directed to disposal	Pg 47				
Employment							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Pg 49				
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg 49				
	401-3	Parental leave	Omitted		Confidentiality constraints	Owing to Data Protection regulations	
Labor/management relations							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Pg 49				

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Material topics							
Occupational health and safety							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Pg 49				
	403-2	Hazard identification, risk assessment, and incident investigation	Pg 49				
	403-3	Occupational health services	Pg 49				
	403-4	Worker participation, consultation, and communication on occupational health and safety	Pg 49				
	403-5	Worker training on occupational health and safety	Pg 49				
	403-6	Promotion of worker health	Pg 49				
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pg 49				
	403-8	Workers covered by an occupational health and safety management system	Pg 49				
	403-9	Work-related injuries	Pg 49				
	403-10	Work-related ill health	Pg 49				
Training and education							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Pg 49				
	404-2	Programs for upgrading employee skills and transition assistance programs	Pg 49				
	404-3	Percentage of employees receiving regular performance and career development reviews	Pg 49				
Diversity and equal opportunity							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pg 53				
	405-2	Ratio of basic salary and remuneration of women to men					
Non-discrimination							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Pg 49				
Freedom of association and collective bargaining							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No operations and suppliers in which the right to freedom of association and collective bargaining may be at risk in 2022				

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Material topics							
Child labor							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Pg 49				
Forced or compulsory labor							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 49				
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pg 49				
Local communities							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 50				
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Pg 50				
	413-2	Operations with significant actual and potential negative impacts on local communities	No operations with significant actual and potential negative impacts on local communities in 2022				
Public policy							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 61				
GRI 415: Public Policy 2016	415-1	Political contributions	Pg 61				
Customer health and safety							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 48				
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Pg 48				
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning the health and safety impacts of products and services in 2022				
Marketing and labeling							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 33				
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Pg 33				
	417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance concerning product and service information and labeling in 2022				
	417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communication in 2022				
Customer privacy							
GRI 3: Material Topics 2021	3-3	Management of material topics	Pg 48				
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg 48				

ANNEX 3

Administration

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MauBank Ltd
Standard Bank (Mauritius) Ltd
SBI Mauritius Ltd
SBM Bank (Mauritius) Ltd
The Mauritius Commercial Bank Ltd
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PwC

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Etude Maigrot
Etude Dwarka